



# Green Industry Benchmark Report

2020 Edition - Eighth Annual

Presented by  **HindSite**  
SOFTWARE



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## Introduction

HindSite Software's 2020 Green Industry Benchmark Report is one of the foremost studies about the challenges, human resources, services, sales and marketing, education, and office and software practices among green industry businesses. Respondents to this year's survey included more than 350 green industry businesses ranging in size from one-person operations to 100+ employee businesses throughout North America. Their responses helped uncover overarching business challenges and opportunities smart businesses can leverage to improve their operations and grow their revenue.



# Executive Summary

2019 continued a trend of growth for green industry businesses, as it was another great year for the typical green industry business. 37% of respondents indicated they'd grown their revenue by 10% or more in 2019 and 70% of respondents experienced a revenue increase in 2019. Most expect more of the same in 2019, with 37% expecting moderate improvement, up 6% from a year ago. However, a labor shortage is still weighing heavily on the green industry, with 88% of respondents finding it very or somewhat difficult to find good employees.

## **Key report findings include:**

- Training matters. Among businesses that grew, just 15% offered no recurring training for their employees. Those that saw their revenue decrease were nearly twice as likely to say they didn't offer recurring training.
- Despite the labor shortage, businesses expect to grow their staff in 2020, with 70% saying they plan to increase their employee count.
- Profit margins were nearly identical to last year, with 33% of businesses reporting profitability in the 11-20% range while 24% saw profits in excess of 20%.
- The typical green industry business spends roughly 39% of their revenue on wages.
- Service specialization is on the decline, with just 7% of businesses saying they offer just 1 of the 9 most common green industry services. That's down 5% from a year ago.
- QuickBooks Online continues to slowly gain market share among accounting platforms, gaining 4% last year and now being used by 30% of the green industry. QuickBooks Desktop tops the list and is used by 44% of the industry.
- Aside from referrals, websites and truck signage continue to be sources of new customers for the typical green industry business. Social media grew slightly - from 14% to 16% - but the biggest mover was online advertising, which was up to 9%, compared to 5% a year ago.





## Challenges/Outlook

The more things change, the more they stay the same. In reviewing the data from the 2020 Green Industry Benchmark Report, it was telling how similar to 2019's data it was. Finding employees is still a significant issue, though slightly less pressing than a year ago. Instead, more businesses indicated they wanted to improve their efficiency and market to acquire more customers.

Revenue growth continued to be strong, with 37% of respondents indicating they'd grown their revenue by 10% or more in 2019 and 70% of respondents seeing revenue increase in 2019. Both numbers were down slightly from a year ago, but impressive nonetheless.

Profit margins were nearly identical to a year ago, though, with 24% of respondents seeing profits in excess of 20%, a slight 1% uptick from a year ago.

The good news: Green industry businesses expect more of the same in 2020, though this survey was conducted before the market sell off, which may impact that outlook. 37% are expecting revenue growth in excess of 10%, down 5% from a year ago, but still relatively robust. Just 15% expect their revenue to remain the same or decline in 2020..

In fact, the green industry is more optimistic when it comes to the economy than a year ago, with 37% expecting moderate improvement, up 6% from a year ago.

### Related Reading

- [How to Use Popular Online Job Boards to Find Irrigation and Landscape Employees](#)
- [How to Grow Your Irrigation or Lawn Care Business](#)
- [Green Industry: Do You Know Your Competition](#)

## Key Findings

Attracting and retaining employees was the most frequently cited issue in the typical green industry business, followed by inefficient operations and marketing/customer acquisition.

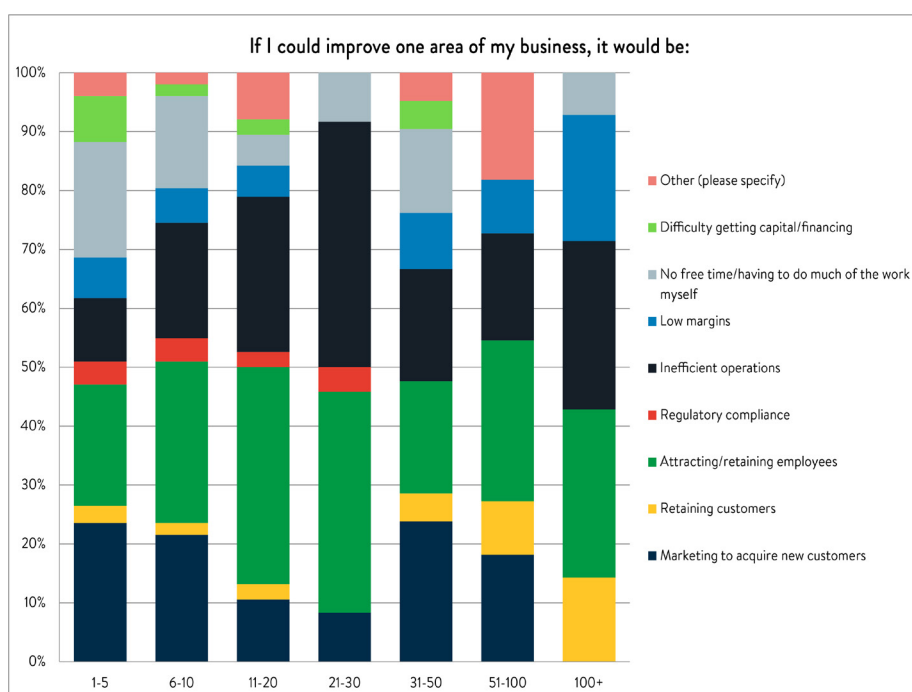
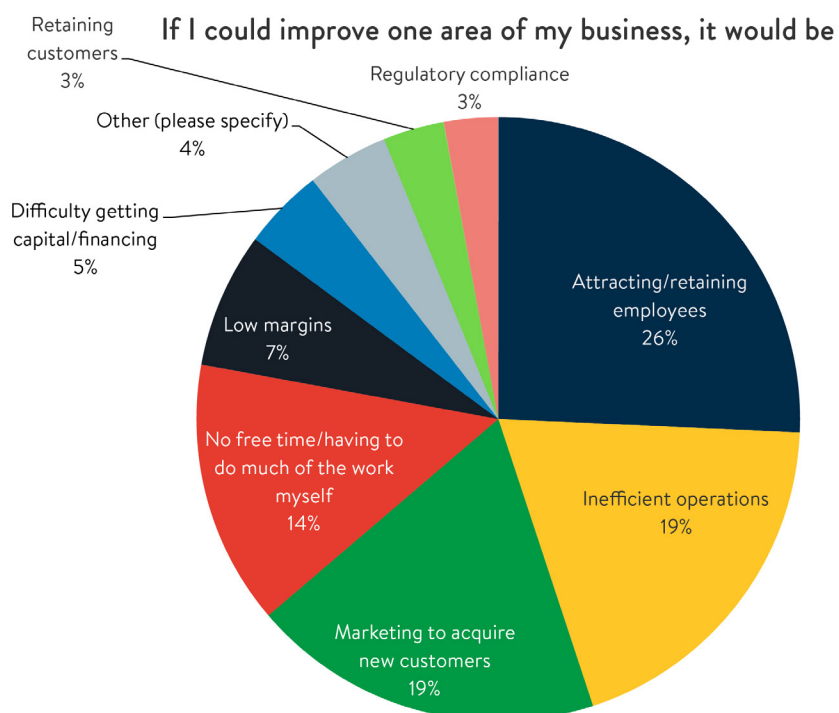
Most green industry businesses expect the economy to stay the same (47%), but many (37%) expect a moderate improvement. Just 10% expect the economy to worsen, down 7% from a year ago.

The weather is the biggest external threat for the typical green industry business, followed by the economy and competition.

The typical green industry business services about 15% of the total households in their market.

## Implications

- For years, our Green Industry Benchmark Report has shown that attracting and retaining employees is the #1 issue in the typical green industry business. 2019 was no different, though attracting and retaining employees dropped 8% year-over-year. Both inefficient operations and marketing to acquire new customers grew as the primary issue year-over-year.
- The size of a business definitely impacts what's perceived to be the biggest issue. Small businesses are more likely to state they need to market better and that they don't have free time. Mid-sized businesses are more likely to cite inefficiency as their biggest issue while mid-sized to large green industry businesses find low margins are a bigger issue than their smaller peers.

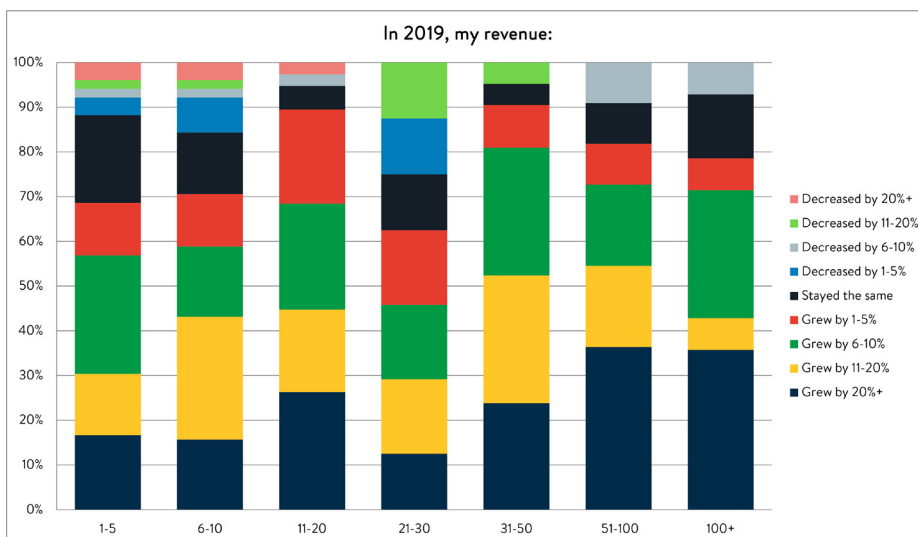
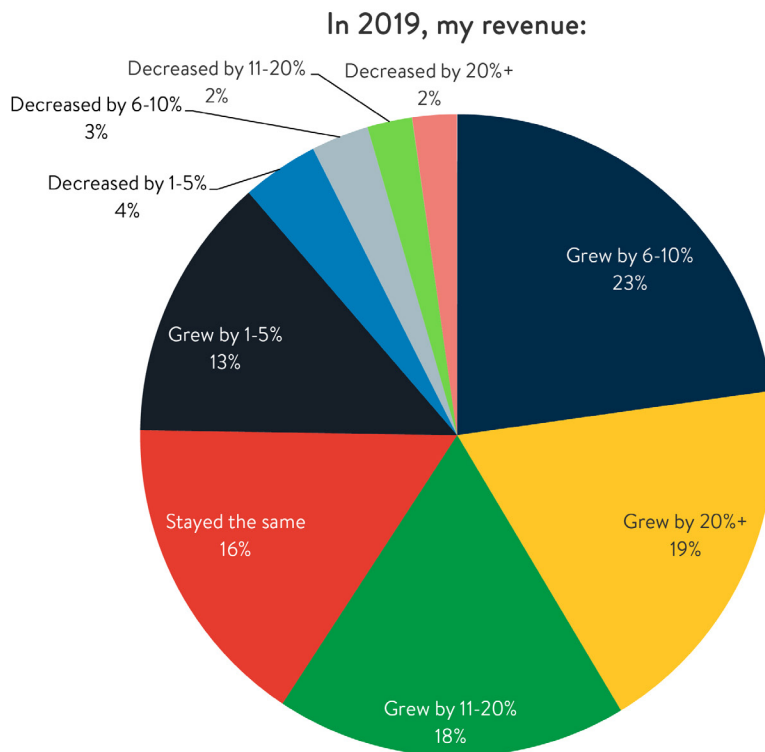


**“Respect all your customers and provide highest quality of service each and every service visit. ”**



## Implications

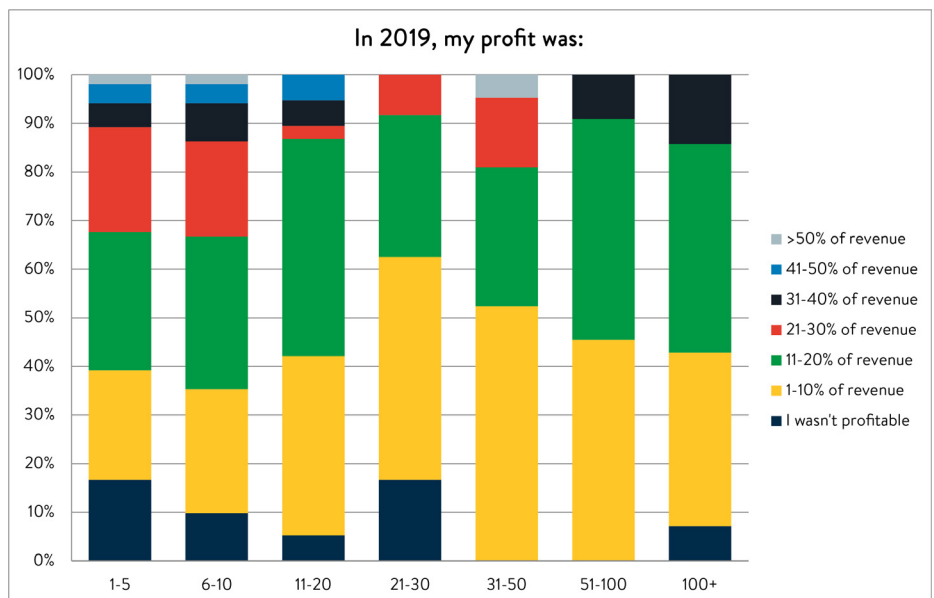
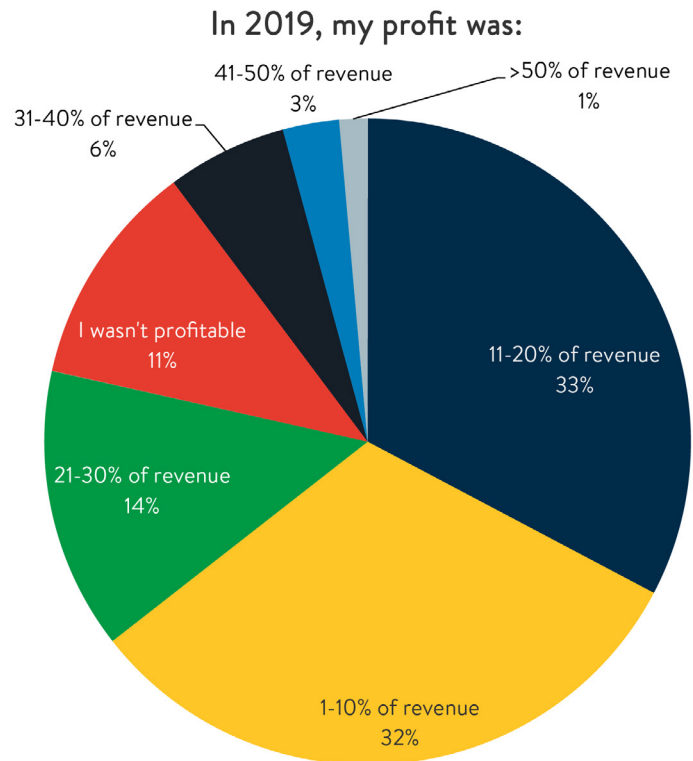
- Revenue growth among green industry businesses was strong again. 37% of businesses saw revenue growth in excess of 10%, roughly equivalent to a year ago. Overall 70% of respondents saw revenue growth in 2019, down 5% from a year ago.
- Interestingly, unlike previous years, large businesses - those with more than 50 employees - were most likely to indicate growth in excess of 20%.
- Small businesses showed the most variance, being most likely to see all ranges of revenue growth and decline.
- Businesses in the Mountain region (AZ, CO, ID, MT, NM, NV, UT, WY) were most likely to report rapid growth and least likely to report revenue declines.



**“Start with a plan and get organized from the beginning.”**

## Implications

- Profitability was nearly identical to a year ago, with 33% indicating profitability in the 11-20% range and another 42% in the 1-10% range. 24% saw profits in excess of 20%, up slightly from a year ago.
- Small businesses were more likely to report they weren't profitable, but also more likely to report profits in excess of 20%, showing the volatility of owning a small business. Mid-sized to large businesses were almost exclusively reporting profits of less than 20%.
- The most profitable region to do business? This year it was the East South Central states of AL, KY, MS, TN, where 38% of businesses saw profits in excess of 20%.



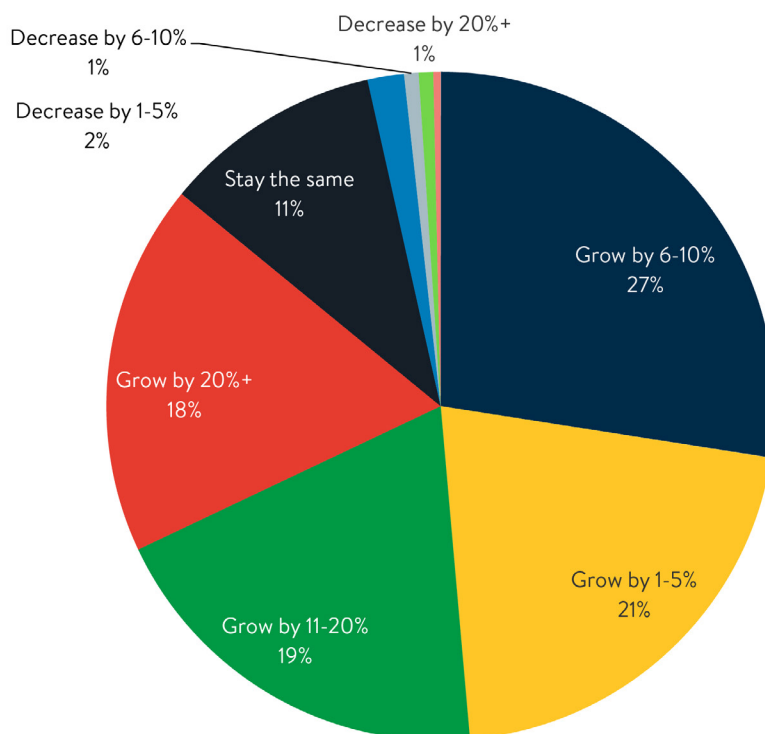
**“Know your numbers and how to track them/keep up with them as often as possible. Numbers show the health of your company, and can alert you to areas that need attention.”**



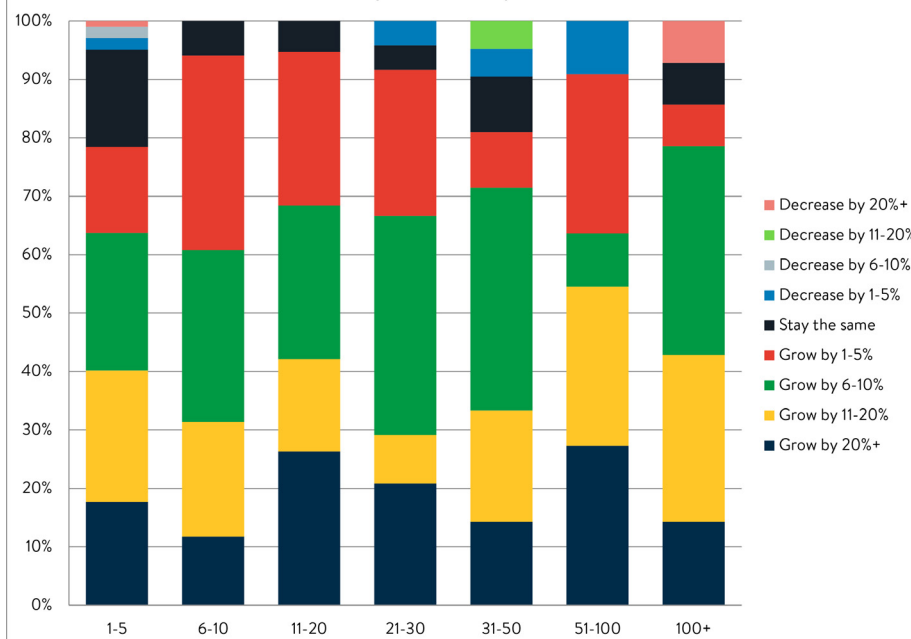
## Implications

- Growth expectations are down slightly from a year ago, with 37% expecting growth in excess of 20%, down from 42% a year ago. Overall, however, 85% expect to grow their revenue in 2020, roughly equivalent to what we saw in 2019.
- Unlike a year ago, large businesses - those with more than 50 employees - are most likely to expect revenue growth in excess of 10% in 2020. Meanwhile, just 78% of businesses with 1 to 5 employees expect growth in 2020, the most pessimistic group.
- Though they don't expect to grow as much as larger businesses, 95% of businesses with between 6 and 20 employees expect to grow their revenue and none expect to see their revenue decline.
- The West South Central region is the most optimistic, with 1/3 of respondents expecting growth of 20% or more.

In 2020, my business expects revenue to:



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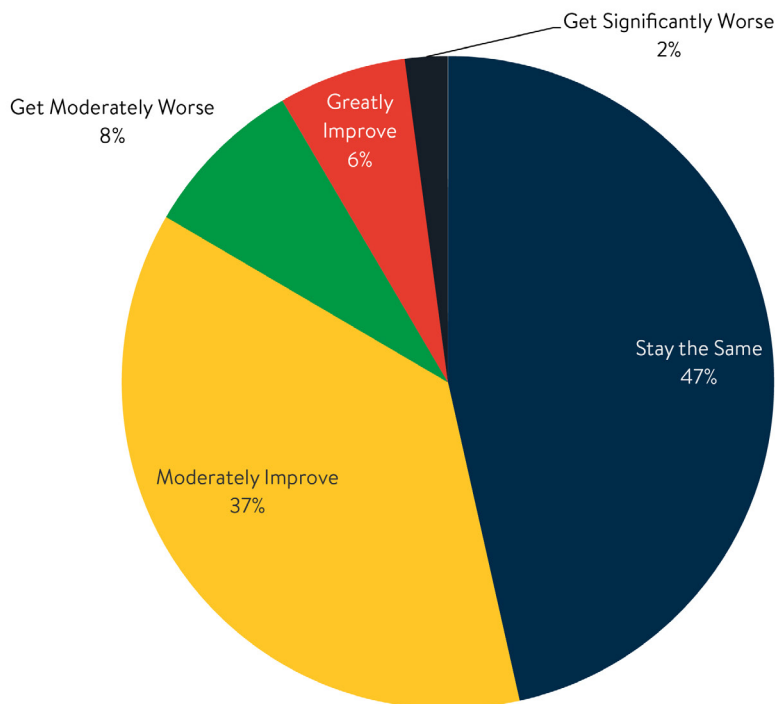


**“Develop a business plan, build a budget, don’t plan to grow too fast, have a support system of people to consult with, treat all customers fairly and with the highest respect.**

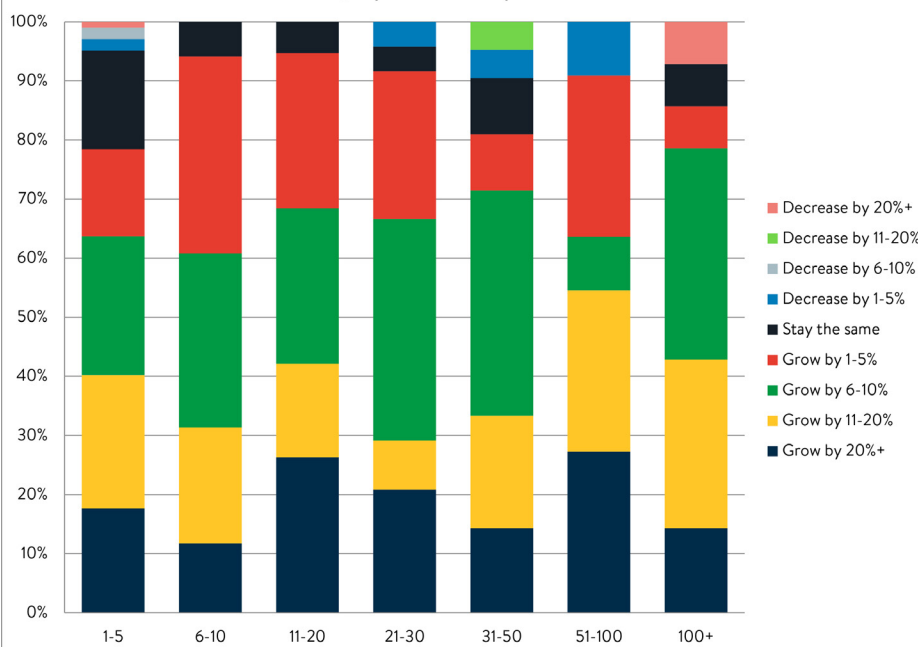
## Implications

- The economic expectations for the typical green industry business hasn't changed much since last year, though a small number of respondents have switched from thinking the economy will worsen to believing it will improve. Most (47%) expect the economy to stay the same, while many (37%) expect the economy to moderately improve, up 6% from a year ago. Just 10% of respondents expect the economy to worsen, down from 17% a year ago.
- Those in the South seem more likely to be optimistic when compared to those in New England and the Middle Atlantic. In fact, 30% of those in the Middle Atlantic expect the economy to get moderately worse, compared to just 8% of the general respondents.

In 2020, I expect the economy will:



In 2020, my business expects revenue to:



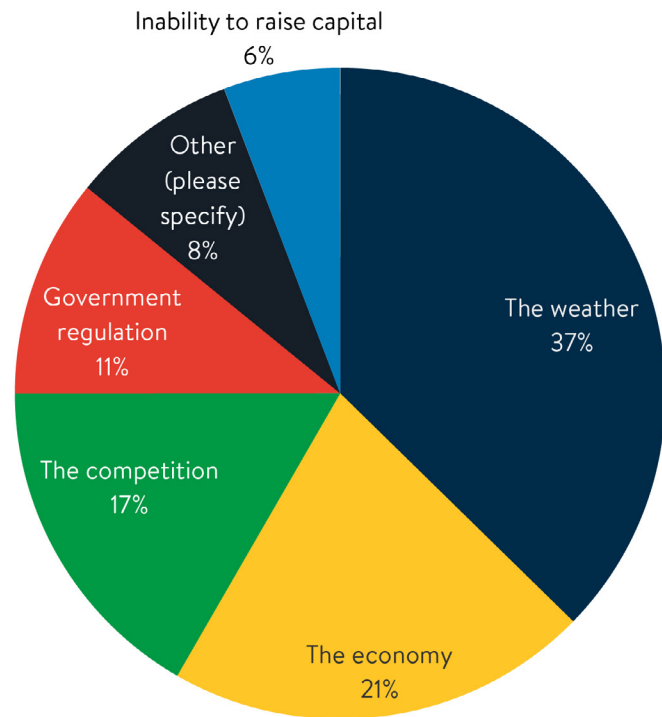
**“Start small, think big and do what you say you’ll do for the customer no matter what.”**



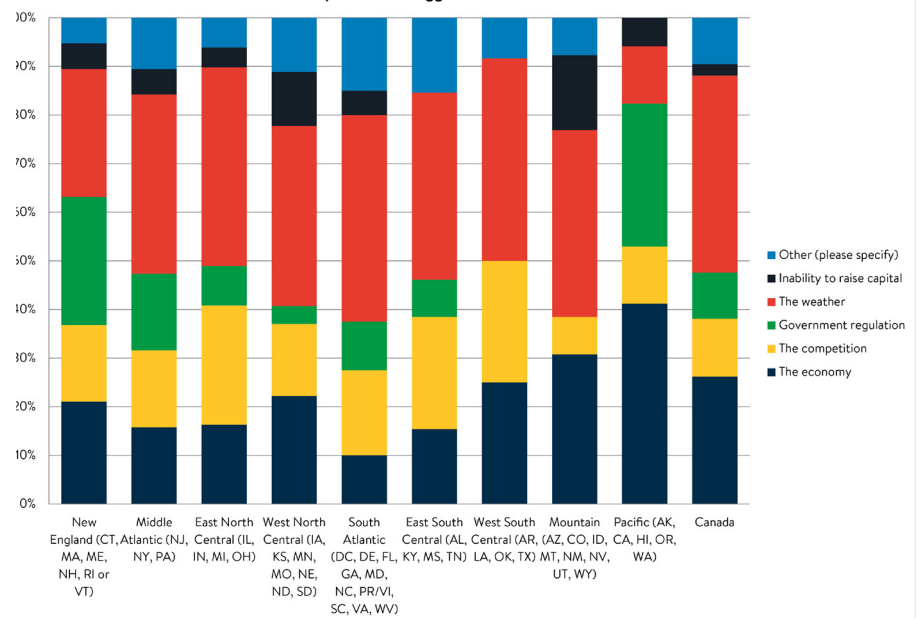
## Implications

- Want another sign of a good economy? The weather came in as the biggest external threat for the typical green industry business, up 1% from a year ago. Competition is a bit more of a concern, jumping from 14% to 17% in the past year.
- Government regulation is more of a concern in New England, where it was cited by 26% of respondents. Just 4% of those in the West North Central cited government regulation as their biggest threat, however.
- Interestingly, large businesses are more concerned about competition than their smaller counterparts. About 12% of businesses with less than 10 employees consider competition their biggest threat, compared to over 25% of those with more than 50 employees.

### My business' biggest external threat is:



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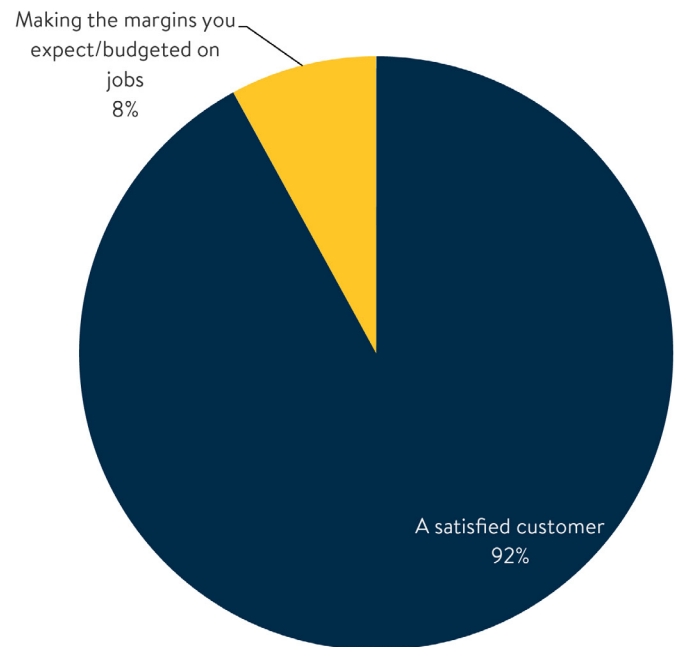


**“Start with putting strong systems in place. Having structure and consistency as you start is critical.”**

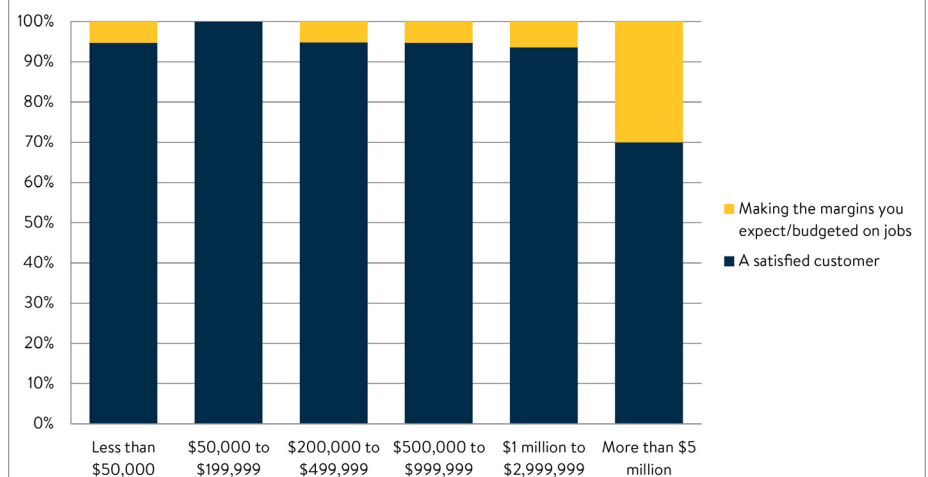
## Implications

- Customer satisfaction is the priority for the typical green industry business. 92% of respondents would choose a satisfied customer over making the margins they expected/budgeted on their jobs.
- Generally speaking, the more revenue a business generates, the more likely it is to be focused on profitability vs. satisfying the customer. 30% of businesses with more than \$5 million in annual revenue would prefer to make their margins than satisfy a customer.
- Businesses in the East South Central (AL, KY, MS, TN) were more likely to want to make their profit margins, while those in the West South Central (AR, LA, OK, TX) were most likely to prefer satisfied customers.

### What's more important to your business:



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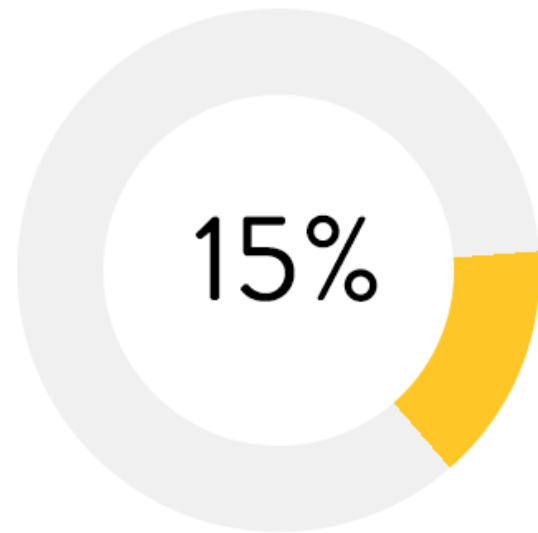
**“Build your business one satisfied client at a time. Focus on great service and your business will grow itself.”**



## Implications

- The typical green industry business is serving about 15% of the households in their market.

What % of the total households in your market do you service?



“Be honest and upfront. Do the job you say you’re going to do and do it to the best of your ability. The primary reason my business has grown so much is because I have taken over jobs from other landscapers because they either went MIA or they ghosted or they weren’t doing the job that they were getting paid to do so they were fired and I was hired because of my reviews and my word of mouth.”

# Green Industry Interview: Tom Campbell

Tom Campbell, owner of Water Scout in Sebastopol, CA, owes a 35-year career in the green industry to his wife. “My wife was the one who pointed me in the right direction, I have to admit. I was a trucker for quite some time and was going crazy. So she found me a job with a small landscaping company. Then we went out on our own and landed our first large estates to take care of. She kept telling me that there was water running in this drain pipe. I was so busy trying to bring back the landscape. I wasn’t paying much attention. Then she said, ‘Come down here.’ It was November, the irrigation had been off for several weeks. This stream of water was coming out of the pipe. So I did some checking and sure enough, there was a leak in their main line.”

“The client said, ‘Hey, my water bill is about \$8,000 every other month. Can we get it down to five?’ I thought, ‘Oh, whoa, we have an opportunity here. I better get on the bandwagon.’ And I thank my wife profusely for waking me up and showing me this leak. That’s what started it.”

In the 35 years since, Campbell has focused on managing high-end estates and performing water audits. “I like to work on large estates. I come in and fix problems that no one else has been able to solve. I create irrigation and control systems using Baseline. I manage about 15 sites from home. I check them out on the laptop during irrigation events and I know when a site’s been using too much water or there’s a leak. I notify the client or site manager of a problem before they know it exists, before they get their water bill.

## About

### Tom Campbell

Owner

Water Scout

<https://www.waterscout.com>

While tending the gardens of his client’s estate properties Tom became concerned about the wasted water and the resulting high water bills. He applied his common sense, experience and creativity to the problem, and not only solved the issue brilliantly, but in the process became a leader within his industry.

That's why people search me out. "

Delivering water savings is Campbell's primary goal. "Some customers want to lower their water uses for financial reasons and a few because it's the right thing to do. And I can really help those folks. That's easy. I say 'Okay. The kids are all in college. So let's lose the football stadium in the backyard. Let's shrub it up with some natives. Let's shrink the lawn. If you have a little bit of lawn off of your pool and patio for parties, great. You don't need a soccer field.' And they say, 'Really? Well no, my husband loves the soccer field.' 'Does he use it?' 'No.'"

"So then I do a site evaluation. I run the sprinklers, run the numbers and I tell them, 'Okay, you see that field, that's 75% of your water use.' That's when I can make changes. When people invite me in and they understand what I'm there for and we are on the same page, it's easy. I can get the job done if they're willing to listen."

For a typical project, Campbell figures he can save at least 20% in water usage. "When I'm auditing a brand new system, that's as tight as it's going to be. That's reality. So reality changes when the system is 10, 15, 20 years or older with the same distribution equipment. If I walk onto a site and I know the equipment's old just by looking at some of the sprayers, I tell the people, 'I'm shooting for 25 to 30, but I can probably save you 50%. But I'll stick with the 25 to 30 right off the bat.'"

For Campbell, part of the fun is the problem solving involved in his job. "I love finding and repairing issues. I love working outside the box and figuring out ways to run a pump-

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ing system like nobody else is running one. That's what really gets me going; finding something that plumbers and leak detection companies and several landscapers couldn't figure out. That really makes my day."

What he doesn't enjoy are the high costs of doing business in California. "The one thing that really bothers me is that the State of California makes it nearly impossible for anyone to start a business. It doesn't matter if it's green industry or not."

One of the biggest changes Campbell has experienced over the years is technology improvements. "What has changed significantly is the technology. Thank goodness. Someone in the green industry who can embrace and understand the technology can do so much for so many clients without ever leaving the office. He or she can give so much to the client without having to do a site visit. He can direct staff easier by saying 'Hey, the meadow has got high water use. So go check it out.' I love the technology."



Campbell is always learning. "The California Landscaper Contractors Association is a great organization. The North Coast Chapter is the one I'm with. They're great people. They're a great source of information. I also really appreciate what the Irrigation Association is doing. I look on their website. If I miss a lecture I can listen to it. They occasionally have a list of the videos available. That's where I go to learn for the most part. "

Campbell also enjoys giving back to the industry. "I love teaching for the CLCA. Every August, I'm invited to join others in the field. I do basic backflow information, how to start a point of connection, the best practices. I love teaching."



# Human Resources

As we saw earlier, it's difficult for the typical green industry business to find good employees. This year, 88% of respondents found it somewhat or very difficult to find good employees, down 4% from a year ago. Most businesses are still turning to word of mouth to find employees, though they are turning to online job boards a little more frequently than in the past.

Despite that difficulty, green industry businesses haven't given up looking for talent. Given that many expect to grow their revenue in 2020, it's not surprising that 70% of respondents expect to also grow their staff in 2020.

The typical green industry business is spending about 39% of their revenue on wages, basically unchanged from a year ago. Wages haven't necessarily increased, with most irrigation technicians and crew leaders earning more than \$35,000 annually, while most crew members earn less than \$35,000 annually.

Most green industry businesses are setting goals for their business, though most of those are annual goals. Less than 15% of respondents are setting long-term three, five or ten year goals.

## Related Reading

- [7 Common Hiring Mistakes Your Irrigation or Lawn Care Business Should Avoid](#)
- [5 Ways to Get New Applicants for Your Lawn Care Business](#)
- [Training Tips for Your Lawn & Irrigation Business](#)

## Key Findings

88% of respondents indicated it was Very Difficult or Somewhat Difficult to find good employees, a clear indication of a very tight labor market.

Health benefits are still generally sparse for the typical green industry business, with most earning under \$1 million annually offering little to no health insurance benefits.

Businesses that set goals, generally grow faster than their peers that don't set goals.

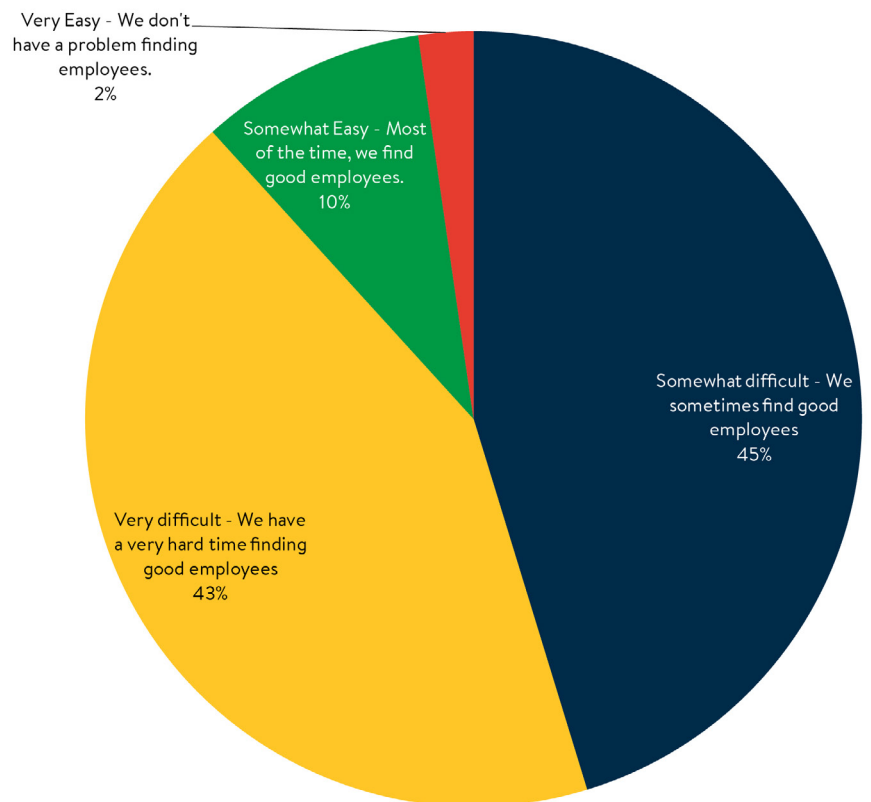
Staff training has grown slightly, with 84% indicating they offer some type of recurring staff training, up from 80% a year ago.

70% of businesses expect to grow their staff this year, down just 3% from last year's findings.

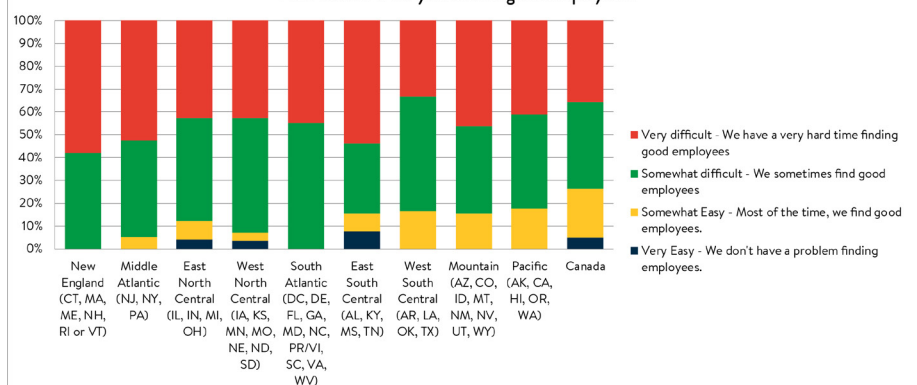
## Implications

- To no one's surprise, it's still difficult to find employees for the typical green industry business. Though it's not quite as difficult as last year. 43% of respondents said it was very difficult to find good employees, down 4% from a year ago. That 4% shifted to somewhat easy, which is now 10% of respondents. That's a minor shift - it's still very difficult for the typical green industry business to find good employees.
- In Canada, it isn't quite as difficult. 26% of respondents found it to be very or somewhat easy to find good employees. Everyone in New England and the South Atlantic found it either somewhat or very difficult to find good employees. New England was especially difficult, with 58% of respondents indicating it was very difficult to find good employees.

How hard is it for you to find good employees?



How hard is it for you to find good employees?

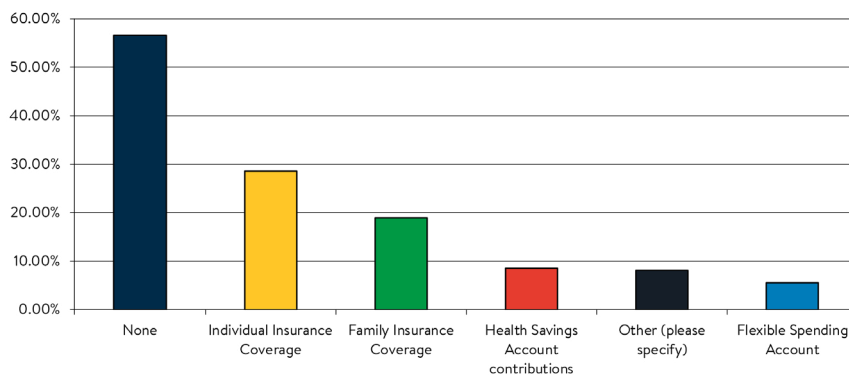


**“Know your profitability numbers. Bigger is not better, profitability is.”**

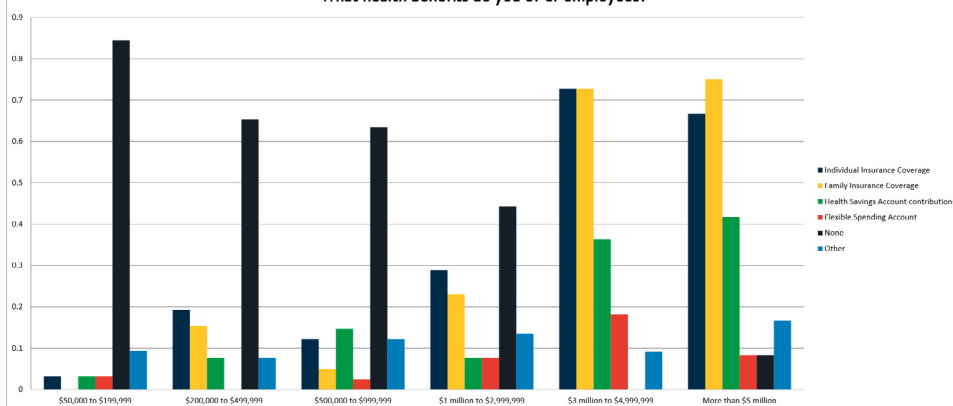
## Implications

- The tight labor market didn't significantly change the percentage of businesses offering any type of health insurance - 56% of respondents don't offer any health benefits, roughly equivalent to a year ago. In fact, no health benefits saw an increase year-over-year.
- The most popular "Other" response was life insurance.
- If your business has more than \$1 million in revenue, it's likely you're offering some type of individual or family insurance coverage. Meanwhile, about 80% of businesses with under \$1 million in revenue don't offer any type of health benefits to their employees.
- Because it's more difficult to hire in New England, businesses there seem slightly more likely to offer individual insurance coverage than their peers in other regions.

What health benefits do you offer employees?



What health benefits do you offer employees?



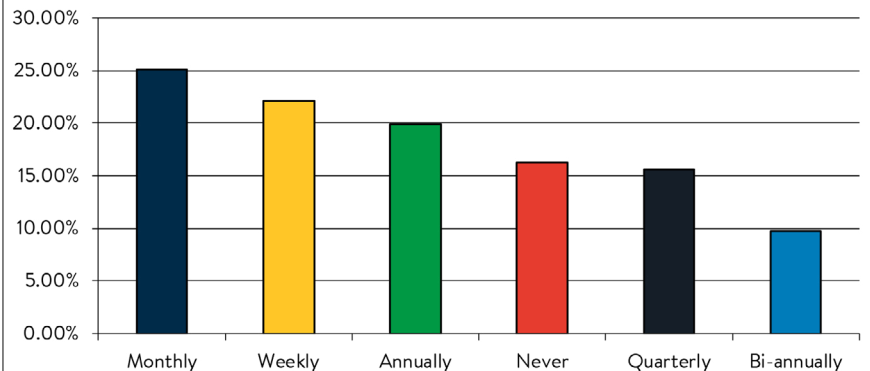
**“Understand your numbers. Take business courses. A great technician does not equate to a great business owner.”**



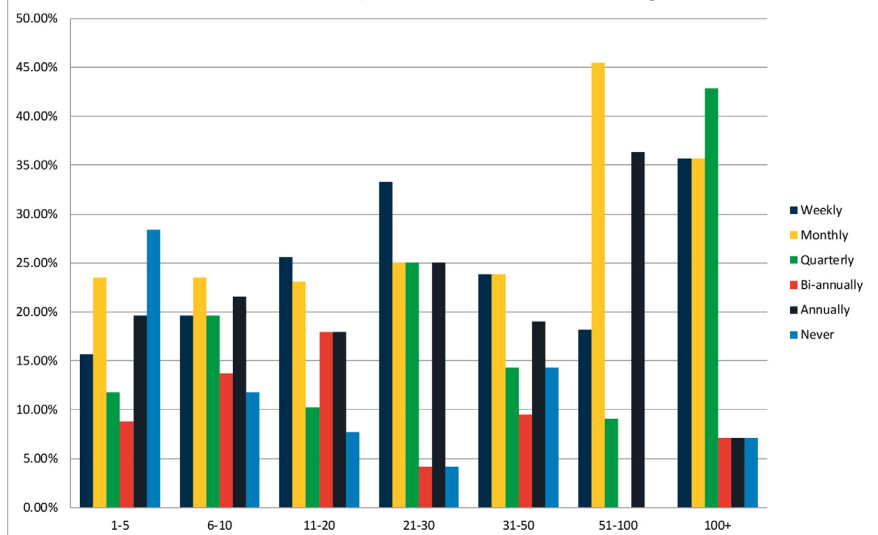
## Implications

- There's been a slight increase in formal staff training since last year, with the Never response falling from 20% to 16%. Most of the gains were in bi-annual staff training.
- Does training matter? Every year, it's one of the findings from the Green Industry Benchmark Report - the answer seems to be a resounding yes. Among businesses that grew, about 15% offered no training. Among those who saw their revenue decrease, that number is nearly twice as much - about 28%.
- Large businesses are more likely to provide training to their employees. Less than 5% of businesses with more than 50 employees don't have some type of training, compared to over 20% of those with less than 10 employees.

How often do you have formal staff training?



How often do you have formal staff training?

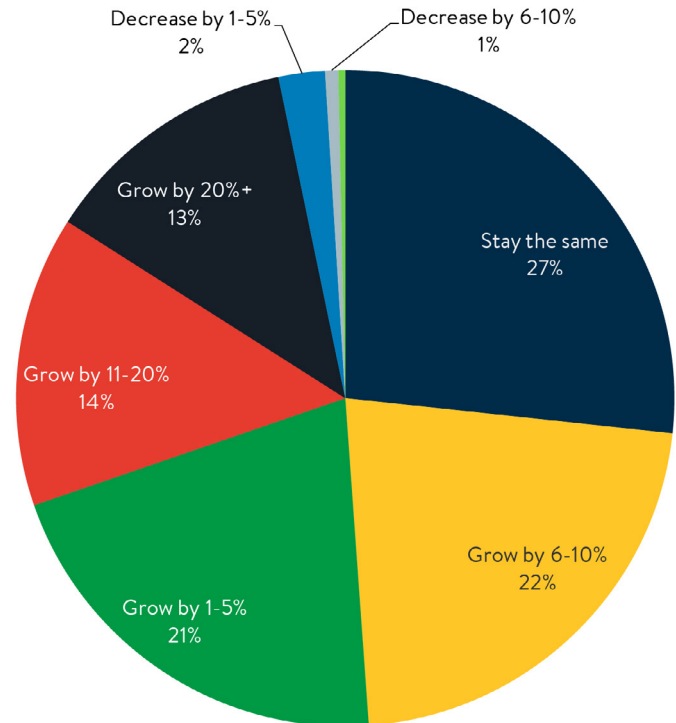


**“Know your true costs of doing business and charge accordingly. Don’t sell yourself low or short.”**

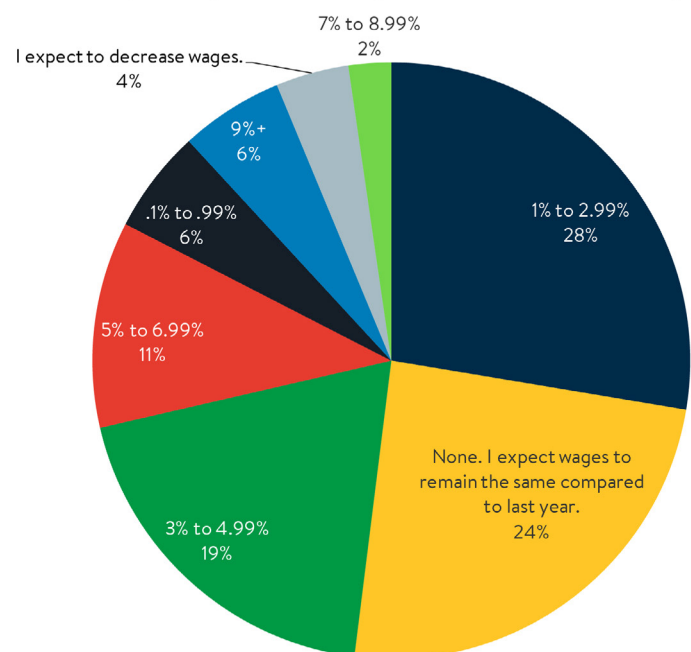
## Implications

- It's hard to find good employees, but that isn't stopping green industry businesses from planning to staff up. 70% of employers expect to grow their staff this year, down slightly from 73% a year ago.
- Regionally, Canadians expect to grow their staff the most, with 22% of Canadian respondents expecting to see their staff grow by 20+% in 2020. Meanwhile, 10% of those in the Middle Atlantic states expect their staff size to decrease in 2020.
- Businesses expect wages to grow a little slower in 2020. 24% of respondents expect their wages to remain the same in 2020, up from 18% a year ago.
- New England and Canada should expect the biggest wage increases, with about 15% of each expecting wages increases in excess of 9%.

In 2020, my business expects our staff to:



I expect my business' wages to increase in 2020 by:

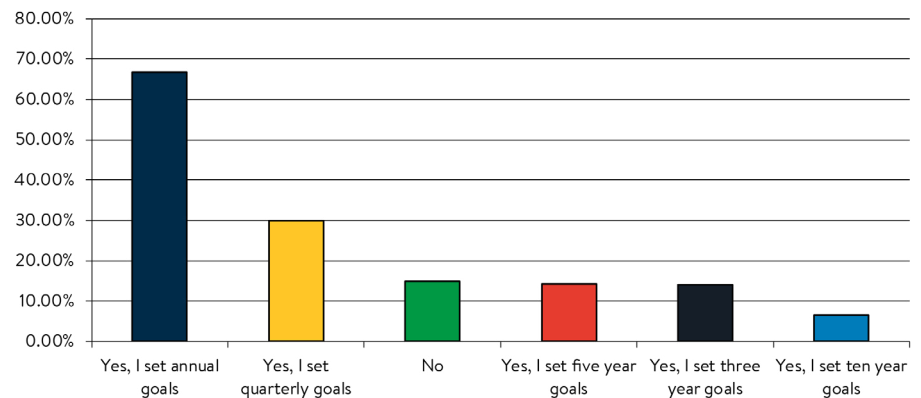


**“Stick with what you’re good at and don’t expand too quick into services you don’t normally provide.”**

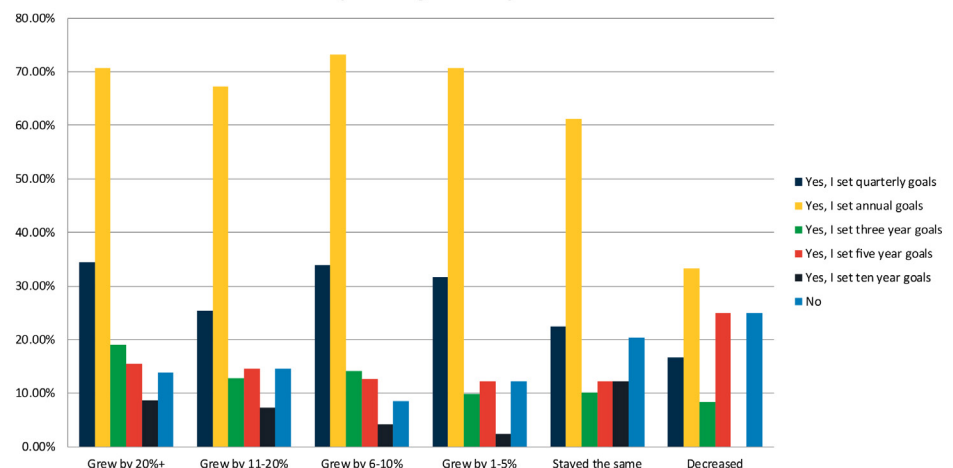
## Implications

- Goal-setting in the green industry has not changed much since last year's Benchmark Report, with annual goals still being the most popular type of goal for a business to set. Longer-term goals are less prevalent.
- The larger the business, the more likely they are to set goals in their business, especially longer-term goals. For example, just 4% of businesses with more than 50 employees don't set goals, compared to 12% of those businesses with less than 10 employees.
- Does goal-setting matter? Businesses that grew were generally more likely to set goals than their counterparts whose growth stayed the same or declined, a result we've found in many Benchmark Reports.

Do you set goals for your business?



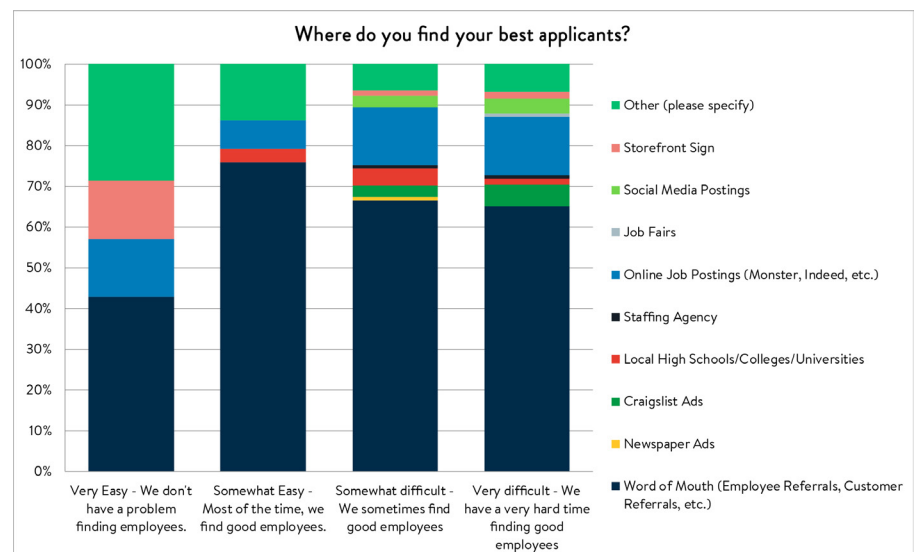
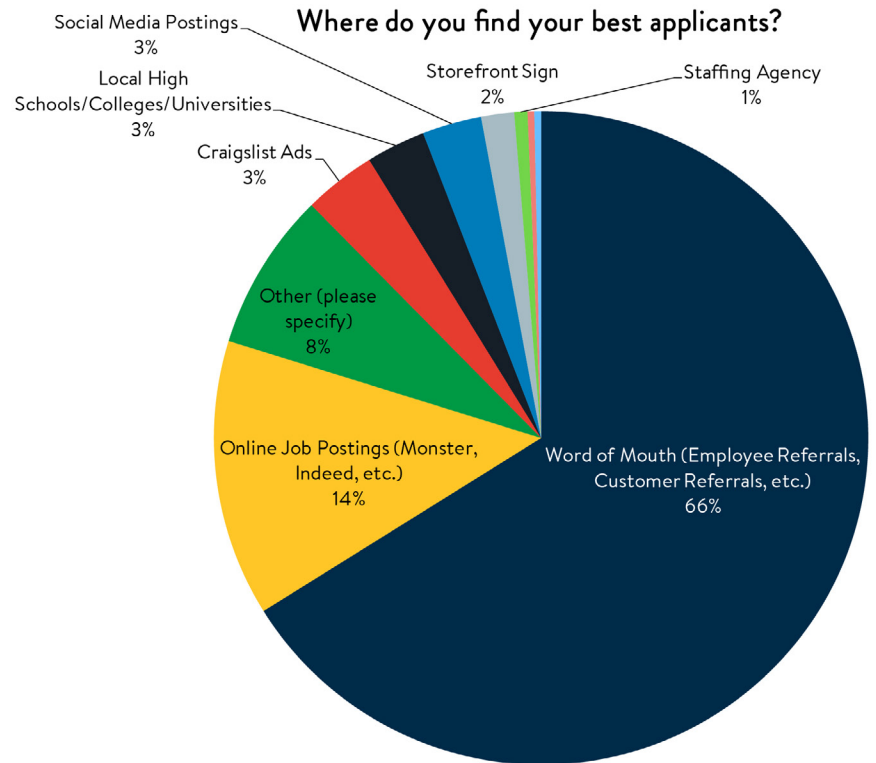
Do you set goals for your business?



**“Put a business plan together and know your numbers.”**

## Implications

- Word of mouth is still the number 1 place for green industry businesses to find their best applicants. Not only that, but they were basically using the same tactics in 2020 as they were in 2019.
- Businesses that found it very or somewhat easy to find applicants weren't really using hiring tactics that other businesses aren't using.
- Larger businesses - which generally are going to hire more frequently than smaller ones - are nearly twice as likely to turn to online job boards to find applicants. 14% of businesses with more than 50 employees use online job boards, compared to just 8% of those with less than 10 employees.

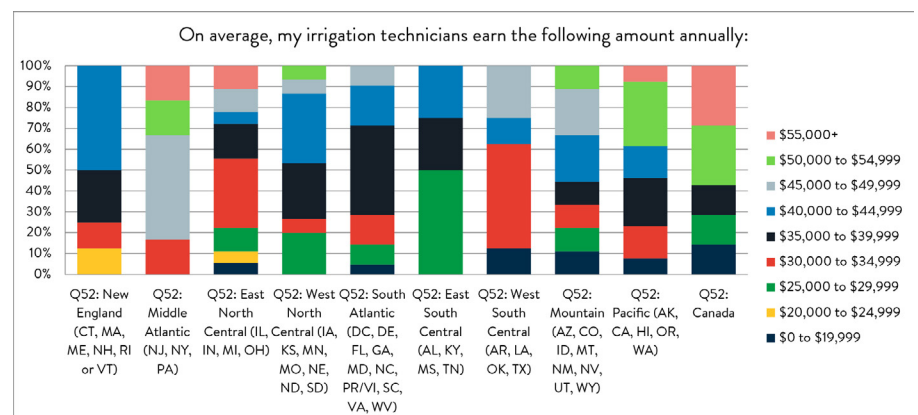
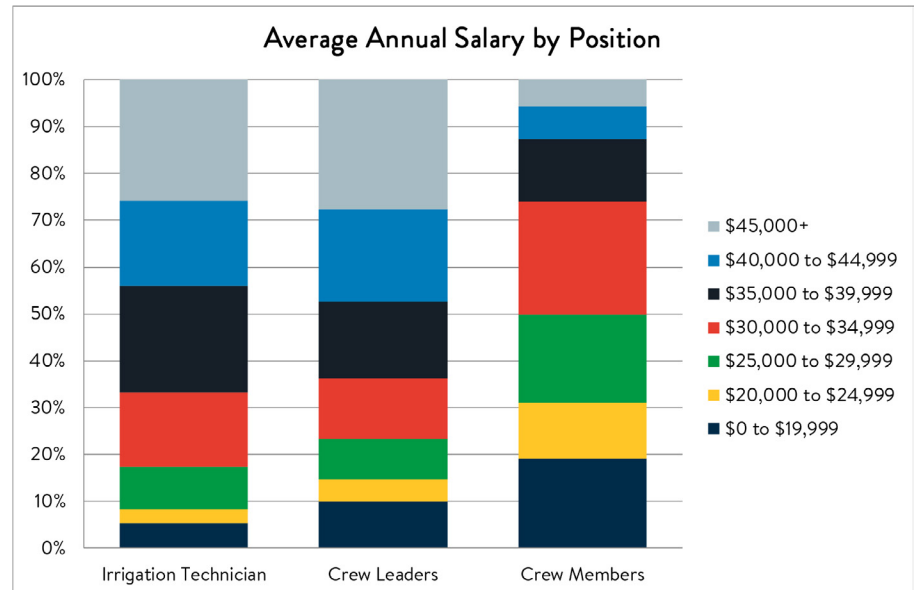


**“Have a good work ethic and do high quality work. Get to know your customers personally and go the second mile for your customer...they are your livelihood.”**



## Implications

- Irrigation technicians, on average, earn more than \$35,000 annually, with about 65% of respondents paying their irrigation technicians more than \$35,000 annually. Maintenance and landscape crew leaders earn a similar amount with about 62% of respondents earning above \$35,000.
- On the other end of the spectrum, 75% of crew members earn less than \$35,000 annually. There's been very little change for any of these positions since our 2019 survey.
- Canada is a great place to be an irrigation technician, with more than 55% of respondents indicating they pay their irrigation technicians more than \$50,000 annually. Meanwhile, in the West South Central the pay is the worst, with 60% of respondents indicating they pay their irrigation technicians less than \$35,000 annually.

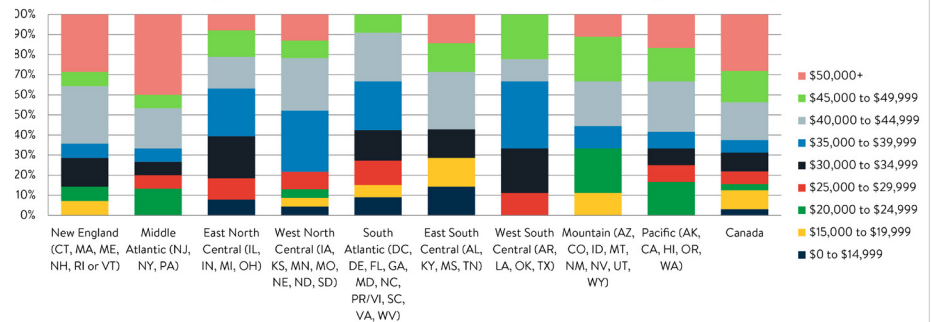


**“Be diligent. Make decisions quickly and stick to it.”**

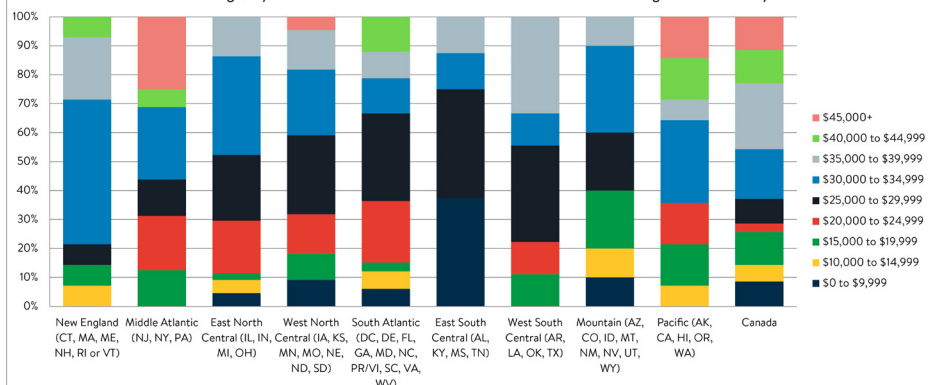
## Implications

- Canada is also a great place to be a crew leader, with 42% paying their crew leaders more than \$45,000 annually. The Middle Atlantic states also pay well, with 40% of crew leaders earning \$50,000 or more annually.
- The South Atlantic is among the worst places to be a crew leader, with over 40% of respondents paying crew leaders less than \$35,000 annually.
- The Middle Atlantic region and Canada also pay their crew members the most, with 32% of those in the Middle Atlantic earning more than \$40,000 annually. The East South Central is among the lowest paid, with 75% of respondents paying their crew members less than \$30,000 annually.

On average, my maintenance/construction crew leaders earn the following amount annually:



On average, my maintenance/construction crew members earn the following amount annually:

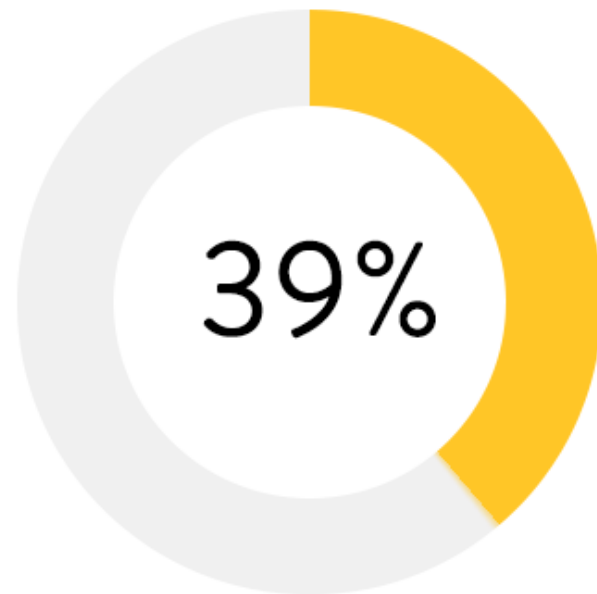


**“Try to determine what market you want to serve, be flexible. Finance capital expense (trucks and equipment) with cash as much as possible.”**

## Implications

- The typical green industry business pays about 39% of their annual revenue in wages. That's virtually unchanged from a year ago, when it was 38%.

What % of your revenue  
do you pay in wages?



**“Be nimble and responsive to change.”**

# Green Industry Interview: Charles Strada

Charles Strada, co-owner of Denton, TX, based Noble Oaks Landscaping with Avery Posey, loved cutting grass at an early age. “My dad started his own tree nursery business so you can put me on 10 acres and I’m in heaven. I love cutting grass. I’ve been cutting grass ever since I was a sophomore in high school. I’d take my mower and go up and down my block and I’d go make money. I’ve always just naturally been really good at it. I love making stripes in the lawn, making it look like I drove straight through a tree. Just doing a job the right way the first time.”

Later, he started a lawn care business to help supplement his income from his full-time job and get out of financial difficulty. “I found a 28 year old John Deere 32-inch walk behind mower on Craigslist for \$300. I had a pickup truck and I got myself a set of ramps. One of my friends called me and said their college kid went back to school so they needed somebody to cut their grass. I started with that one customer, just trying to save my house. From there, my girlfriend now wife, she thought it was so cool. I told her about that first job I did and by the time I saw her that night, she made my business name, the colors, the logo. She had some pens and business cards too.”

One customer soon grew to many through word of mouth. “I did such a good job that I started getting good word of mouth. So then I would work 8 to 10 hours at the school, come home, change my clothes, and go out and cut grass because the word of mouth just kept spreading. I registered myself and became a DBA.”

A decade later, his business was much different. “10 years later, I sold my business and I

## About

### Charles Strada

Co-Owner

Noble Oaks Landscaping

<https://www.nobleoakslandscaping.com/>

Noble Oaks Landscaping prides themselves on reliability, great communication, integrity, and quality work. They offer lawn maintenance, weed control, mowing, landscaping, edging and more.



had a brand new landscaping trailer that I was able to customize myself. I had a 52 inch Exmark zero turn, a 32 inch Exmark walk-behind. All my machines were Stihl or Echo, all commercial. It started from zero, from the ground up with no business experience, no nothing. All I did was be honest and trustworthy and establish good customer service and good relationships and just do the job right the first time.“

His faith led him to move from Illinois to Texas - and to start a new business. “My family and I brought my business to over a \$100,000 a year in Illinois. We got a calling to go to Texas and didn’t know why. I spent a year in prayer and fasting and then my pastor told us that he and his family were feeling led to come to Texas to start a church. I almost fell off my chair because I realized this before him.”

“I sold my business in Illinois and moved to Texas. After a year of working in customer service for Weed Man, I started Noble Oaks Landscaping with my business partner. We do everything - irrigation sprinkler repair, trees, bushes, planting, bed installation, weekly maintenance, cleanups.. That works a lot better down here because it’s a heck of a lot longer season.”

Noble Oaks took off quickly, thanks to an investment in HomeAdvisor. “I had a couple people from my church help me set up a website. The only advertisement I did was on HomeAdvisor. We started with zero customers in June and by the time we hit October, we already had 60, 70 customers and we were doing \$10,000 to \$12,000 a month.”

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“I had a couple people from my church help me set up a website. The only advertisement I did was on HomeAdvisor. We started with zero customers in June and by the time we hit October, we already had 60, 70 customers and we were doing \$10,000 to \$12,000 a month.”

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For Noble Oaks, education is the key to their success. “We’re all about trying to help people and we’re big on education. I think I’ve talked myself out of tons of work just because the homeowner didn’t realize they were told something different, which wasn’t true. So, then they believed something that they

couldn't do. We're all about education. I've had more people hire me just for what I've been able to educate them with and showing them what not to do. This is super simple and you're going to save yourself a bunch of money. Because I do that and I talk myself out of that work, but I'm showing myself trustworthy to them and honest and they've hired me for other things and they've kept me as a provider for them because a little bit goes a long way."

Noble Oaks' goal is to grow this year so that the owners can do less of the work in the field. "This year, our goal is to get big enough to be able to hire a second crew, so that we can train them. We also want to start doing bigger properties because we're in Texas, so there's a lot of ranches, a lot of people with acreage, a lot of commercial buildings. We want to get to the bigger properties to be able to make more money. Our goal is also for Avery to step off the mower and take care of making sure the crews are running right and I want to step off and be able to run sales and continue to grow the company. That's a long-term goal.

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"To be very honest, I have no business experience whatsoever. I'm a firm believer in everything you have done in the past has prepared you for what you're doing now. I've been in sales, customer service and collections, face to face or over the phone my entire life."

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Overall, Strada loves what he's doing and has a lot of gratitude for those that helped him get to where he is. "To be very honest, I have no business experience whatsoever. I'm a firm believer in everything you have done in the past has prepared you for what you're doing now. I've been in sales, customer service and collections, face to face or over the phone my entire life. I've developed the ability to talk to people and to be able to read body language and stuff like that. But when I was starting my business in Illinois, it actually was the grace and the kindness of other landscapers and other business owners that helped me succeed. I joke around, but they took pity on me. I will give a huge shout out to Leroy's

Lawn in Crystal Lake. If it wasn't for them, I would not have had my business in Illinois. I would've never had it."

"Rick at Leroy's Lawn, he took a chance on me because that 28 year old John Deere that I had, something was going to go wrong with the engine that was catastrophic and there was no fixing it when it went and I didn't have business credit. He told me that he was willing to give me a brand new Exmark 32 inch Metro with \$1,000 down and he let me make payments to him on a handshake and honesty. He didn't even know me. In the end, he saved my business because otherwise I didn't have the money or the funds or the credit at that time to even get a mower. "

Strada also wasn't afraid to ask for advice and guidance. "Random landscapers, I would go to them and say, 'Hey, I have this issue. How do I do this?' Or 'How do I price something like this?' Or 'How do I use this machine?' Basically, I just wasn't afraid to ask. I had to humble myself and not be proud and say I don't know what I'm doing, I need help. I'll never forget this. I

was weed whacking and this Mexican guy comes up, didn't know any English, and he said, 'No, no, no.' He said, 'watch, watch.' And he took my weed whacker and he showed me a technique and he told me to take the guard off and he showed me how to use it a different way. Changed my life with weed whacking."

Those random acts of kindness are something Strada has tried to pay back over time to customers. "I love the instant gratification of being able to help people. I love helping people, like single moms, elderly people. If they can't afford stuff or whatever, I gladly

"I was weed whacking and this Mexican guy comes up, didn't know any English, and he said, 'No, no, no.' He said, 'watch, watch.' And he took my weed whacker and he showed me a technique and he told me to take the guard off and he showed me how to use it a different way. Changed my life with weed whacking."

do it. I've done it sometimes for free or sometimes I did it just for what little bit that they gave me. But I love helping people. This is my way to be able to make a difference and help people. I use my business because I was blessed to have \$16,000 in mowers and I have the ability to make a difference and I get to make money while doing it."



## Services

The average green industry business continues to expand the services they offer in order to keep competitors off their customers' properties. This year, we found the average green industry business offered 4.7 of the 9 most common green industry services, up nearly 1 service from a year ago. There are also fewer businesses specializing in one service - just 7% of respondents only offer 1 green industry service, down from 12% a year ago.

They're not done adding services either. 39% of respondents expect to add a service this year, up from 34% in last year's survey. Lighting was the most popular service to add.

Businesses looking to spur their growth above 20% are in part doing it by expanding their geographic footprint. 30% of those expecting to grow by 20% or more expect to add an office or expand into a new territory.

The labor shortage is causing prices to rise, as well. 75% of businesses expect to raise their prices, and the #1 reason they cite is rising labor costs.

Rising labor costs are really limiting spending, however, as more than half of businesses surveyed expect to increase spending on equipment or software to improve their businesses.

### Related Reading

- [Lawn Maintenance: How to Upsell Services to Your Existing Customers](#)
- [How to Grow Your Green Industry Business Through Acquisition](#)
- [How to Reduce Flak When Raising Prices](#)

### Key Findings

Businesses continue to add services to their repertoire, with just 7% specializing in a single green industry service.

Businesses with more than \$5 million in revenue are more likely to open a new office or expand their territories, with nearly 35% of them expecting to do so.

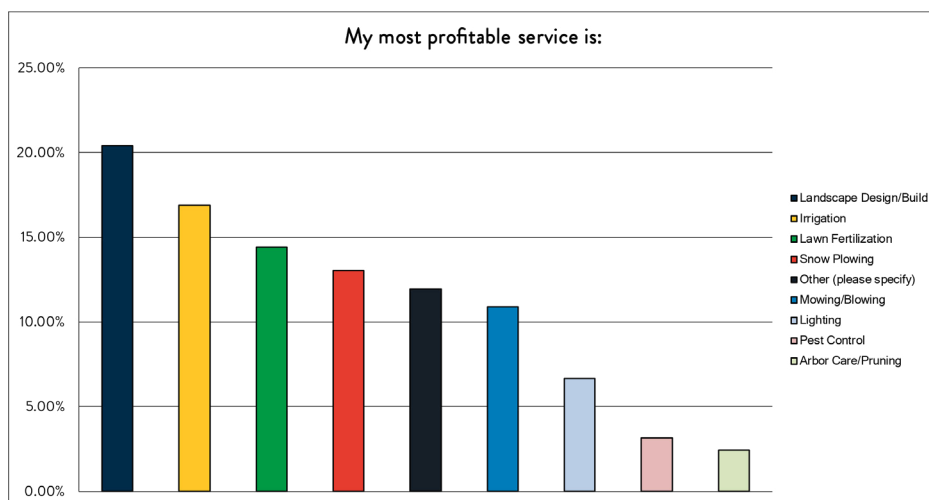
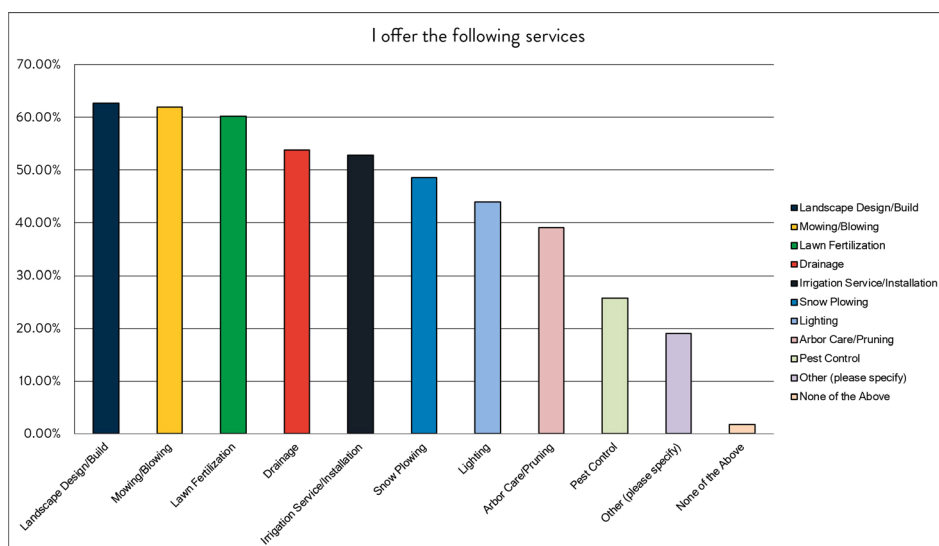
20% of businesses that expect to add services in 2020 plan to add lighting.

46% of businesses that plan to raise prices are doing so because of rising labor costs.



## Implications

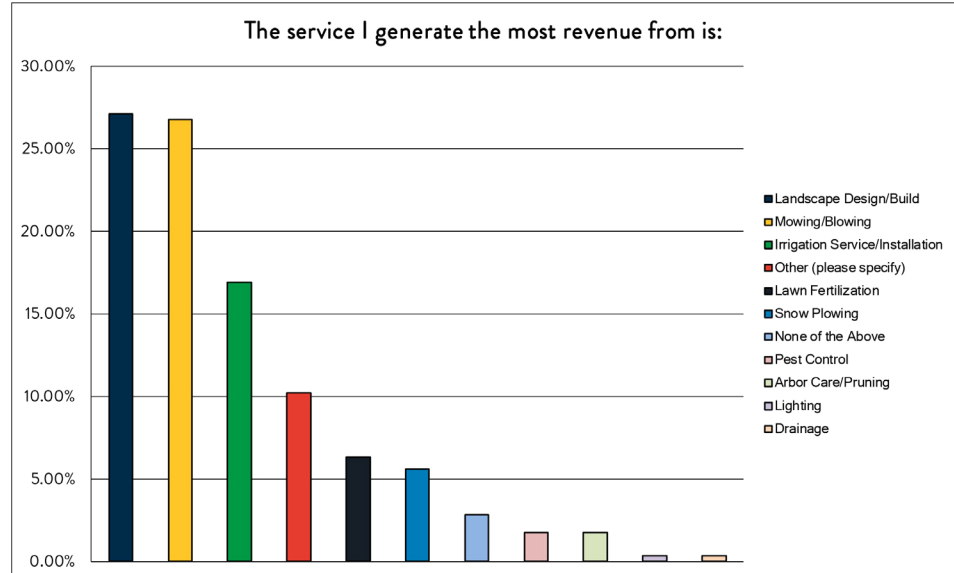
- Specialization continues to decline in the green industry. Last year, 12% of respondents offered just one of the nine most common green industry services. This year, that number was 7%. The average respondent offered 4.7 of those nine services and 16% offered at least eight of the nine common green industry services. The four most common services offered are landscape design/build, mowing/blowing, lawn fertilization and drainage.
- Landscape design/build was the most profitable service for the typical green industry business, followed by irrigation service and install.



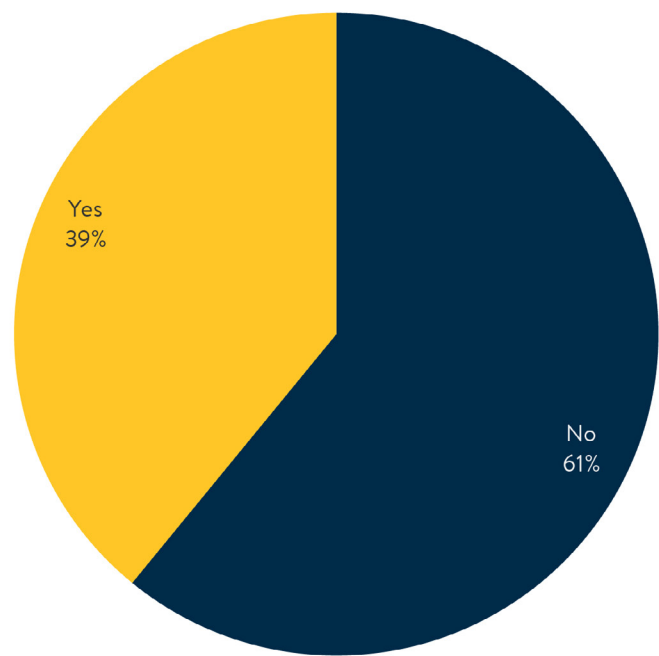
**“Run an ethical business, Charge a fair price for your services, once you are the lowest priced contractor you can never recover from that perception. Treat your employees as assets, hire smart and control growth to provide the highest quality service, profitability is more important than size.”**

## Implications

- When it comes to revenue, green industry businesses are most likely to cite landscape design/build and mowing/blowing as their biggest revenue generating services.
- 39% of businesses expect to sell new services or products in 2020, up about 5% from a year ago.
- Of those adding new services, lighting continues to be the most popular service to add, with over 20% of respondents expecting to add lighting services in 2020. That's been the #1 response the past three years, but businesses indicating they offer lighting services hasn't grown much in those three years.



In 2020, I plan to sell services/products I didn't sell in 2019:

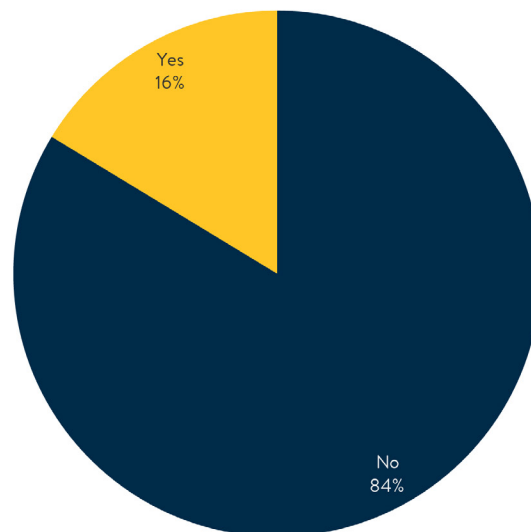


**“Don’t feel like you have to grow too quickly. Quality is better than quantity.”**

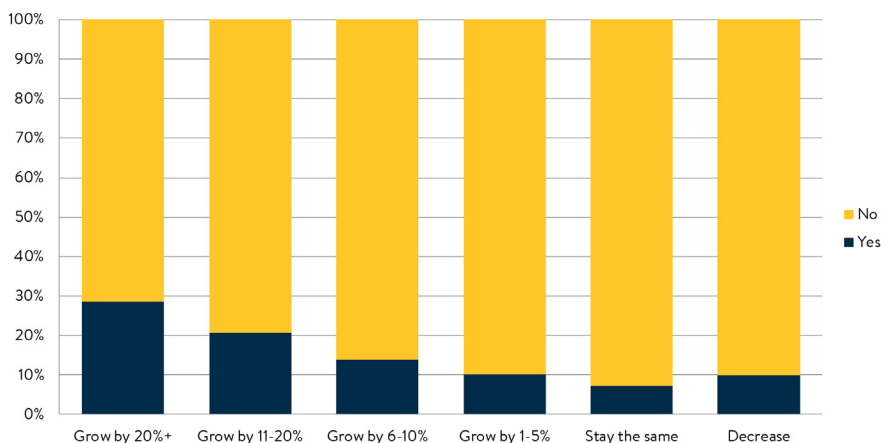
## Implications

- Territorial expansion is down slightly from a year ago, with 16% expecting to open a new office or expand the region they sell their services in in 2020. That number was 19% a year ago and 17% in 2018.
- Businesses looking to grow are more likely to leverage an office or region expansion to get there. Nearly 30% of those who expect to grow by 20+% this year also plan to open a new office or expand the region in which they sell.
- Large businesses are most likely to be planning an expansion, with 35% of those with more than \$5 million in revenue expecting to expand their region or office. Those with between \$200,000 and \$499,999 in revenue are least likely, with just 5% expecting an expansion.

In 2020, I plan to open a new office or expand the region I sell my services in:



In 2020, I plan to open a new office or expand the region I sell my services in:

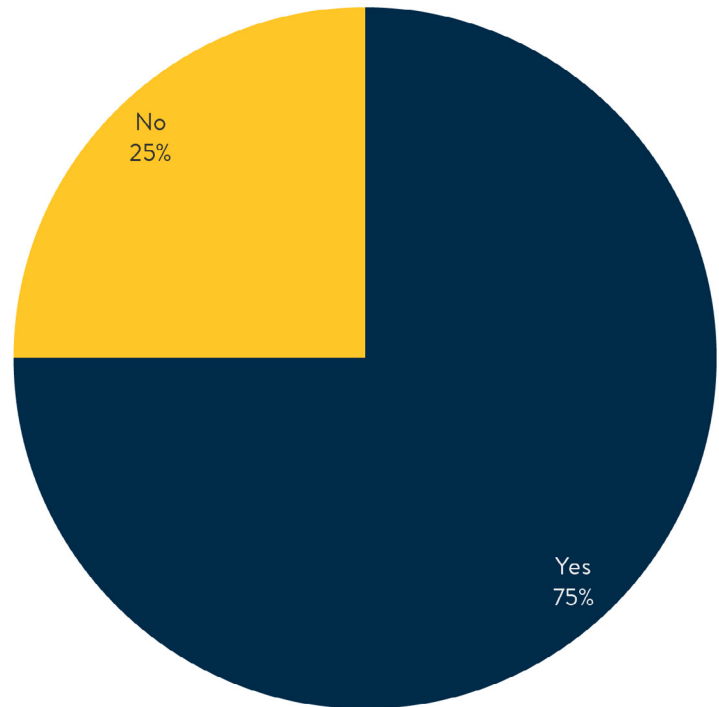


**“Get insurance and keep shopping for better rates.”**

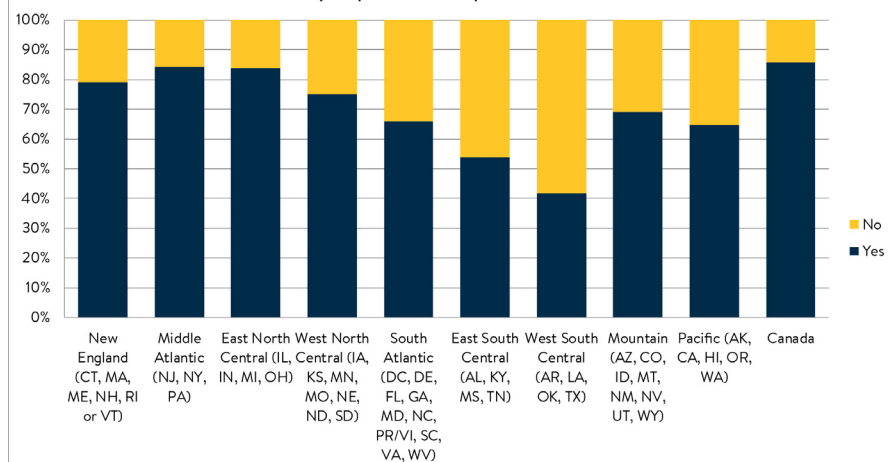
## Implications

- 75% of green industry businesses expect to raise their prices this year, nearly identical to last year's 76%.
- Large businesses are more likely to raise prices than their smaller counterparts. 53% of businesses with less than \$200,000 in revenue expect to raise prices, compared to 82% of those that earn more than \$1 million
- Those in the West South Central were least likely to be planning price increases, while those in Canada were most likely to be planning price increases.
- Generally speaking, businesses in the South seem less likely to raise prices than their counterparts in the North and East.

### Do you plan to raise prices in 2020?



### Do you plan to raise prices in 2020?

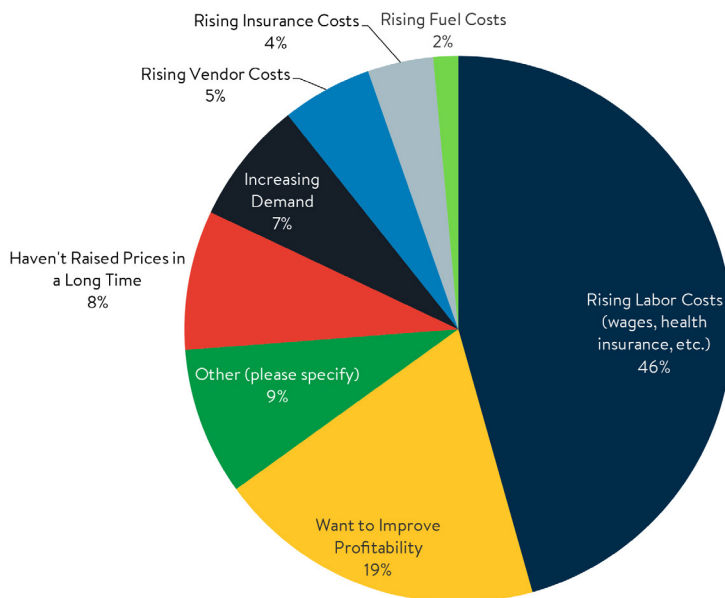


**“Don’t be afraid to charge what your market will bear; if you don’t ask, you won’t get!”**

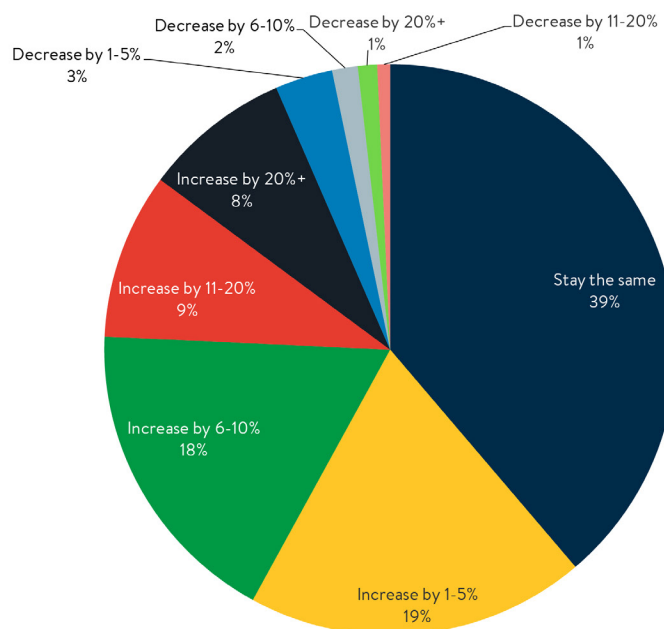
## Implications

- Why are price increases coming? Rising labor costs are the primary reason, with nearly half of respondents indicating labor costs are leading to price increases. That's a 5% increase over last year.
- Last year, we saw a significant spike in people citing rising vendor costs as their primary reason for the price increases. That's dropped from 11% last year to 5% this year, so vendor costs appear to have become less of an issue this year.
- Spending will increase by roughly the same amount as a year ago. Last year, 53% expected to increase spending on equipment/software, while this year that number is 54%.

What is the primary reason you're raising prices?



In 2020, I plan to increase/decrease spending on equipment/software to improve the efficiency and productivity of my business by the following amount.



**“Be diligent and efficient in operations. Better, newer equipment gets the jobs done more efficiently. Always keep investing in your employees.”**





# Sales and Marketing

Though following-up on information requests continues to be the biggest sales issue for the typical green industry business, generating a bid saw a significant increase this year, going from 9% a year ago to 17% this year.

Aside from referrals, websites and truck signage are the two biggest customer sources for the typical green industry business. Online advertising is the marketing tactic that's seen the largest increase year-over-year, with 9% now saying it's their biggest source of new customers.

For the typical green industry business, the owner pulls double-duty as the sales rep. Those that grew by more than 20%, however, were more likely to have one or more dedicated sales reps.

Sales close times are relatively short for the typical green industry business, with 66% of respondents saying it takes less than 2 weeks to close a deal. As far as close rates, they varied quite a bit, but about 39% of respondents close more than 55% of their sales opportunities. Those that grew by more than 20% also were more likely to have a higher close rate, indicating the importance of having a refined sales process.

## Related Reading

- [Service Business Marketing: 10 Free \(or Nearly Free\) Marketing Ideas](#)
- [5 Steps to Modernizing Your Field Service Sales Process](#)
- [3 Sales Tips to Help You Expand Your Green Industry Business](#)

## Key Findings

34% of respondents closed sales deals within a week.

50% of respondents indicated their owner is their sales rep.

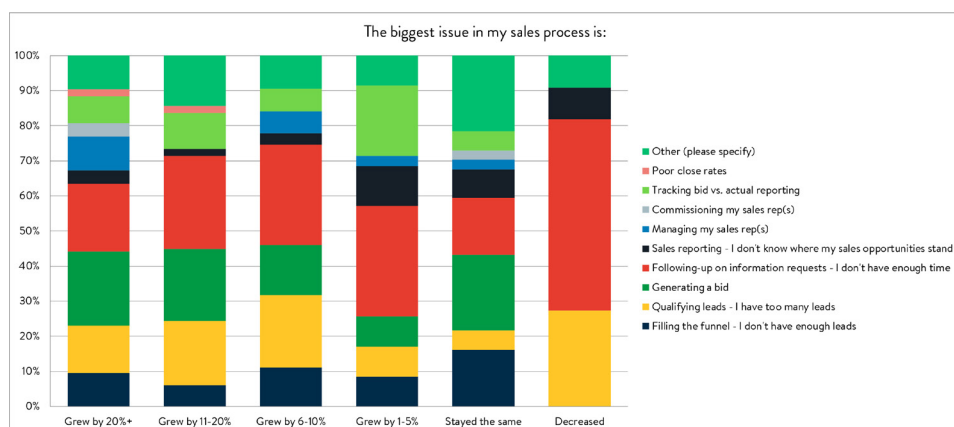
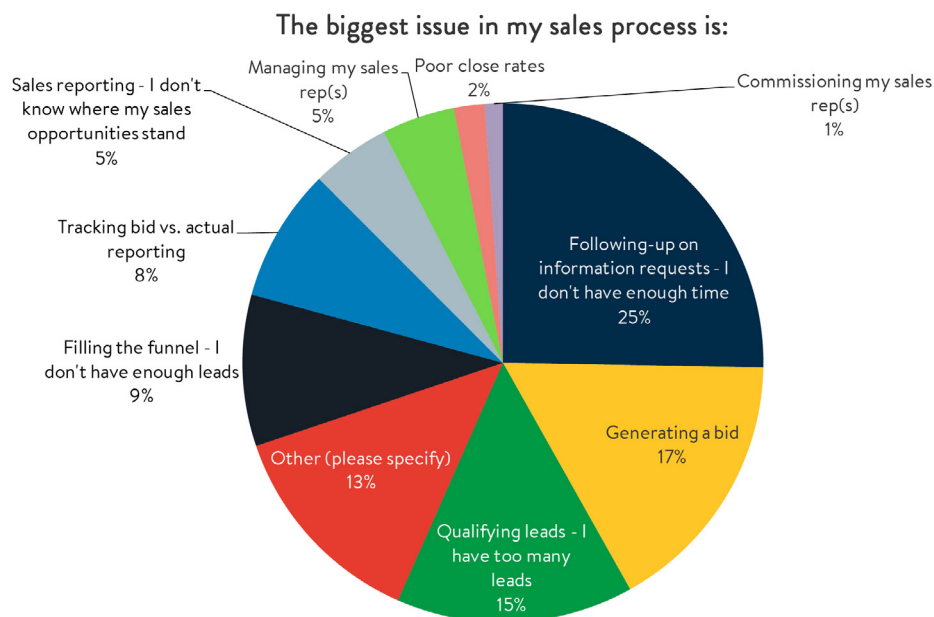
For large businesses, qualifying leads is still a big issue, with 30% of businesses with more than \$5 million in revenue citing it as their biggest sales issue.

Slow-growing businesses were more likely to state that filling the funnel was their biggest issue.

Small businesses are more nimble, with more than half of them indicating they close deals within a week.

## Implications

- The biggest issue in a typical sales process is still following-up on information requests because there just isn't enough time. Yet, surprisingly, the second biggest issue nearly doubled from a year ago. This year, 17% of respondents said generating a bid is the biggest issue in their sales process, up from 9% a year ago.
- Businesses that grew at a slower pace were more likely to state that filling the funnel and generating a bid were the biggest issue in their sales process.
- The larger a business, the more likely they are to cite qualifying leads as their biggest issue. 30% of businesses with more than \$5 million in revenue indicated qualifying leads was their biggest sales issue. Smaller businesses, meanwhile, are more likely to have issues filling the funnel and following-up on information requests.

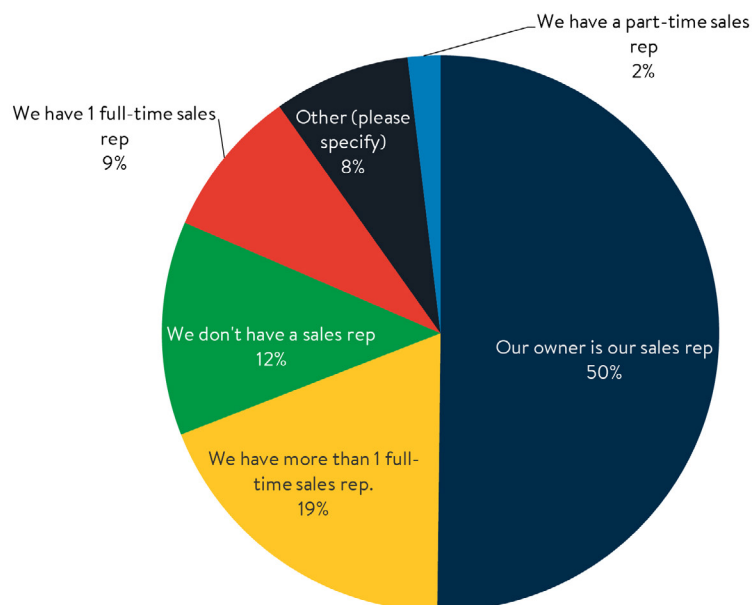


**“Know your numbers, take sales training, market consistently.”**

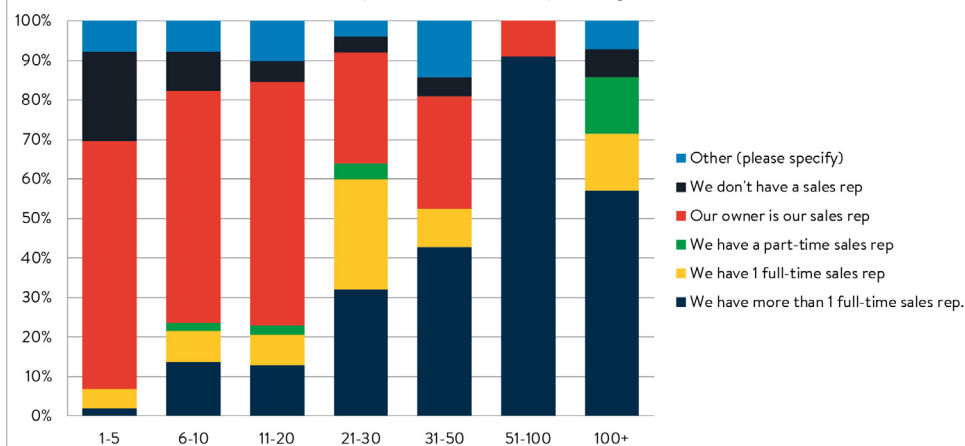
## Implications

- In half of green industry businesses, the owner serves as the sales rep for the business.
- From a size perspective, the vast majority of businesses with under 20 employees still rely on their owner to sell for their business. Once you get to 20 employees, you'll generally have one or more full-time employees. More than half of businesses with more than 30 employees have more than 1 sales rep.
- Of the businesses that saw revenue growth in excess of 20% last year, about 27% had more than 1 full-time sales rep. Compare that to those whose revenue stayed the same, where just 8% had more than 1 sales rep, and it appears that having dedicated sales reps can help you improve your ability to grow rapidly.

Who is responsible for sales in your organization?



Who is responsible for sales in your organization?

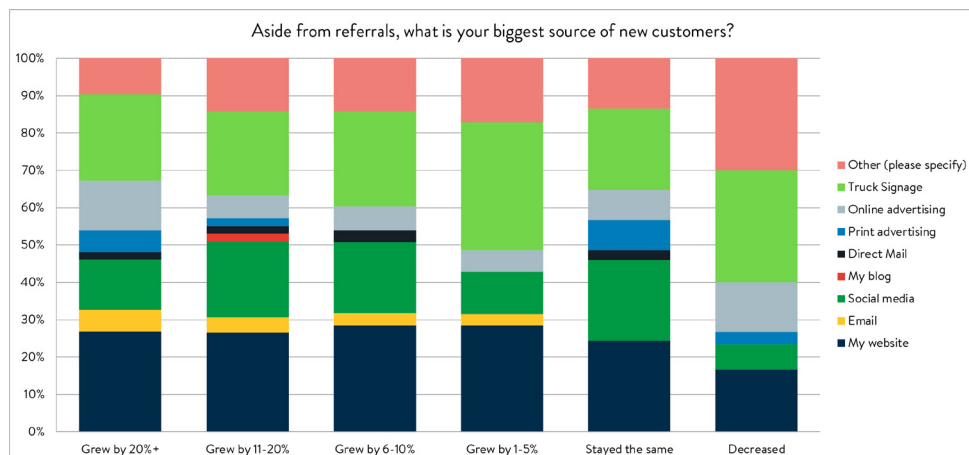
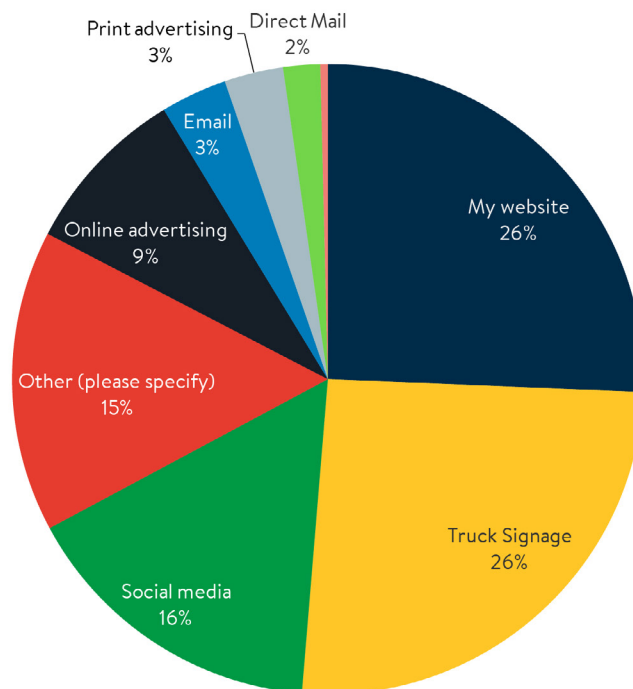


**“Know your market, and have plenty knowledge about what your customer expects.”**

## Implications

- Aside from referrals, websites and truck signage continue to be sources of new customers for the typical green industry business. Social media grew slightly - from 14% to 16% - but the biggest mover was online advertising, which was up to 9% from 5%.
- Larger businesses are more likely to cite their website and truck signage as their number one source of new customers. Small businesses, meanwhile, are more likely to cite social media, with 28% of businesses with less than \$200,000 in revenue saying the biggest source of new customers is social media.
- High growth companies seemed more likely to invest in paid advertising - both print and online - than their slower-growing peers.

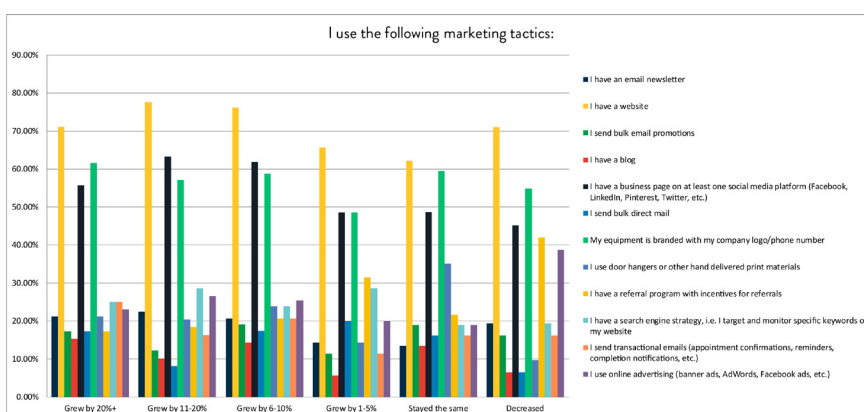
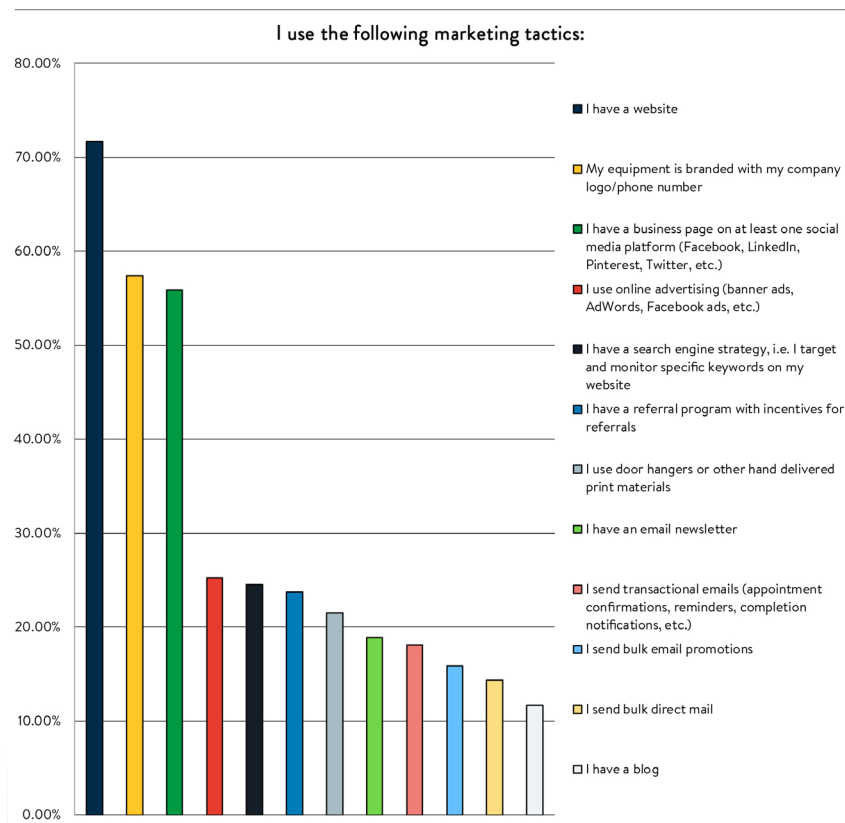
Aside from referrals, what is your biggest source of new customers?



“Research pricing, don’t start too low thinking no overhead. It will catch up with you.”

## Implications

- As we saw on the previous page, websites and branded trucks were driving the most new customers, so it shouldn't come as a surprise that those are the two most frequently used tactics. Both dropped in usage slightly from a year ago, however.
- Social media, on the other hand, is now a tactic that 56% of respondents are using, up a couple percent from a year ago.
- It appears that high-growth businesses are more likely to use multiple marketing tactics when compared to their slower-growing peers. For example, high growth businesses are more likely to say they have an email newsletter, a website, branded trucks, use social media, have a blog, have a search engine strategy and use online advertising than businesses whose revenue stayed the same or decreased.

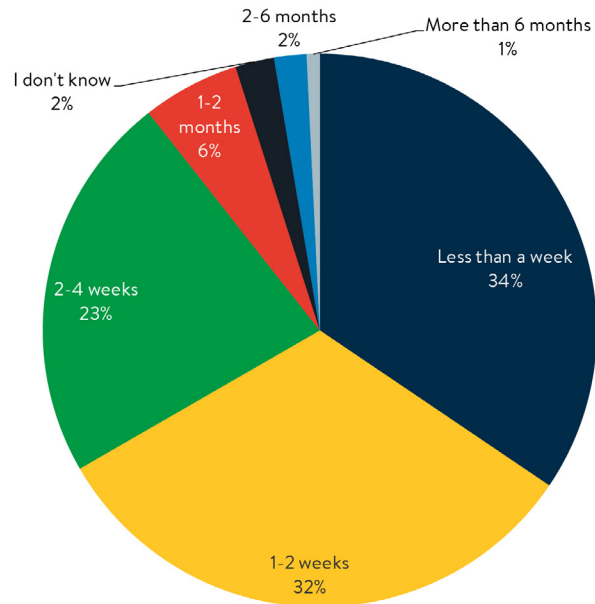


**“Digital marketing is superior. You have the ability to quickly disable online marketing if workload exceeds production speed.”**

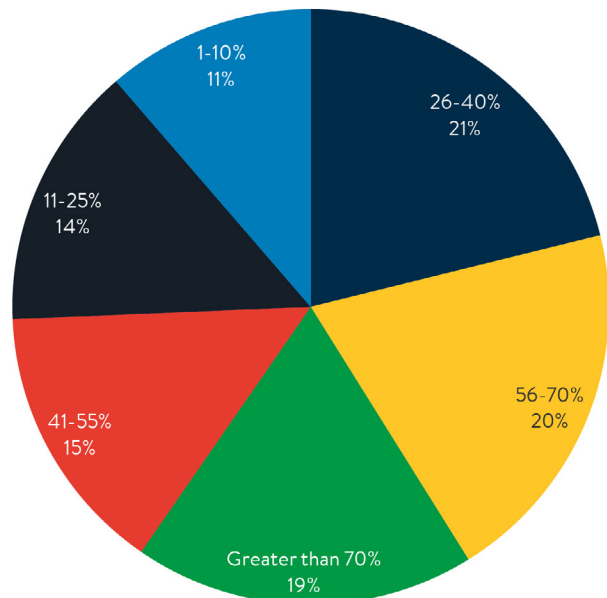
## Implications

- For the typical green industry business, they're closing business quickly - usually within two weeks. There was very little change year-over-year in sales cycle times.
- Small businesses are much more nimble, with more than half of businesses with under \$200,000 in revenue closing their business within a week. For businesses with more than \$1 million in revenue, just 29% said they closed business within a week.
- Close rates were a little lower this year. 21% said they closed greater than 70% a year ago; that's 19% this year. 25% indicated they have close rates less than 25%, up from 22% a year ago.
- Close rates obviously impact growth. 42% of businesses that grew by more than 20% last year said they had close rates greater than 55%.

From lead to sale, the typical time it takes to close a sale is:



My sales close rate (the number of sales divided by the number of bids) is:



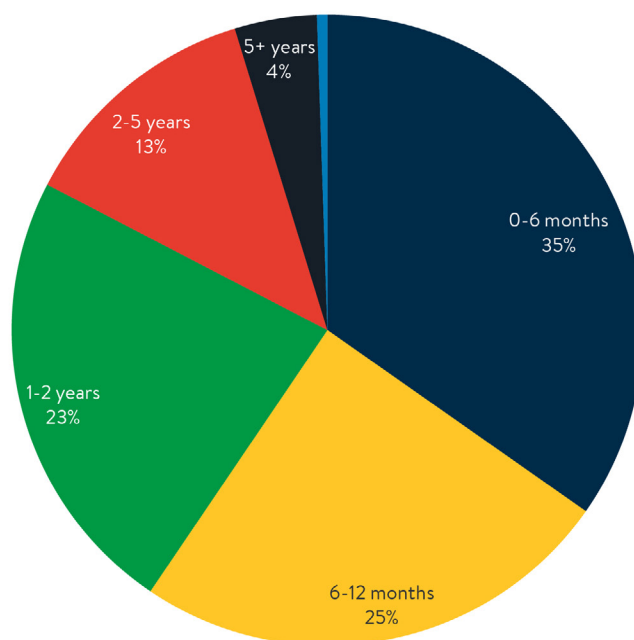
**“Find someone who knows what they are doing and is able to market across multiple social media platforms.”**



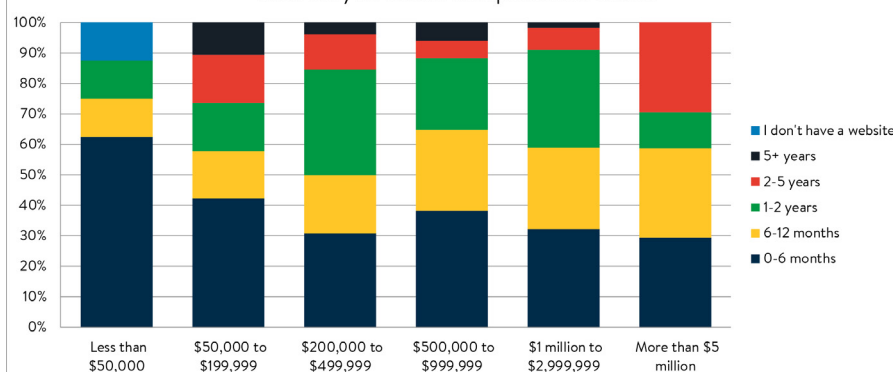
## Implications

- Green industry businesses aren't shy about updating their websites, with 60% having updated theirs within the past year, and 35% in the past 6 months.
- Small businesses are both more likely to have updated their website in the past 6 months, with about half of businesses with less than \$200,000 in revenue having done so in the past 6 months.
- High-growth businesses were more likely to have updated their website within the past year, with 65% of businesses that saw growth in excess of 20% last year saying they've updated their website in the past year. Compare that to 53% of those who saw their revenue stay the same or decrease last year.

When was your website last updated/overhauled?



When was your website last updated/overhauled?



**“Make sure your online presence is accurate & information up to date. Use the same logo everywhere. Register your business site in as many free places as you can (bing for business, yelp, google). ”**



# Education

Green industry businesses are very active in local, regional and national business organizations and events, with 85% of respondents saying they've attended at least 1 trade show or educational conference to improve their business knowledge in the past year. Large businesses are more likely to attend events than their smaller counterparts.

Though they are going to events at about the same frequency as in the past, they seem to be joining fewer trade groups. This year, 33% of respondents said they didn't belong to any trade organization, compared to about 20% a year ago, a significant increase. Among businesses that grew more than 20% last year, membership in the National Association of Landscape Professionals was higher than their slower-growing peers.

When buying products, green industry businesses are almost always turning to the Internet to research. Last year, we found that those businesses that grew by more than 20% last year were more likely to talk to their peers. This year, those businesses are still more likely to consult with their peers, but instead of calling them they're more likely to leverage message boards as a source of information.

## Related Reading

- [2019 Green Industry Events Calendar](#)
- [10 Tips to Get the Most Out of Your Next Trade Conference](#)
- [4 Things to Do in Your Irrigation Business After Independence Day](#)

## Key Findings

85% of green industry contractors attended a trade show or educational conference in 2019, down slightly (3%) from a year ago.

National distributors gained ground on regional distributors, with 6% more respondents choosing to use national distributors and 9% fewer choosing to use regional distributors.

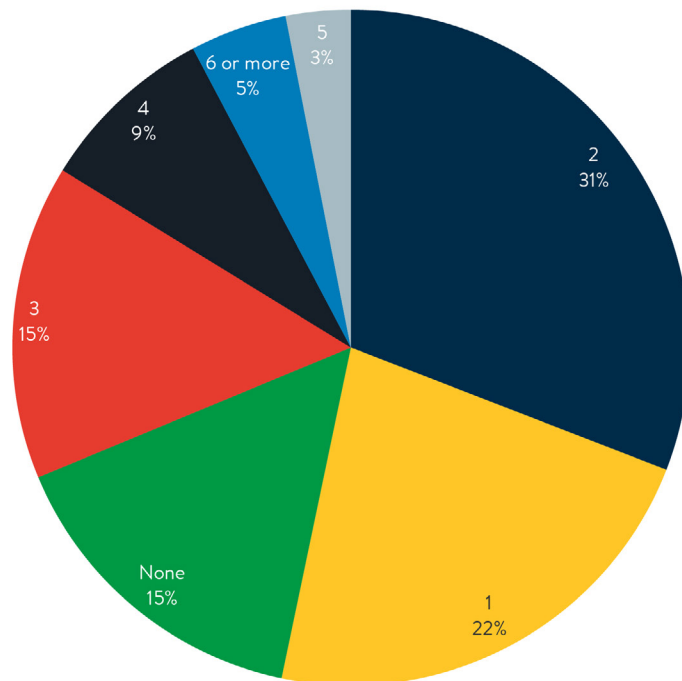
Price isn't in the top 3 reasons green industry businesses choose their primary distributor. Location, customer service and ease of doing business were priorities.

New Englanders are the most active in business organizations, with just 15% saying they don't belong to a business organization.

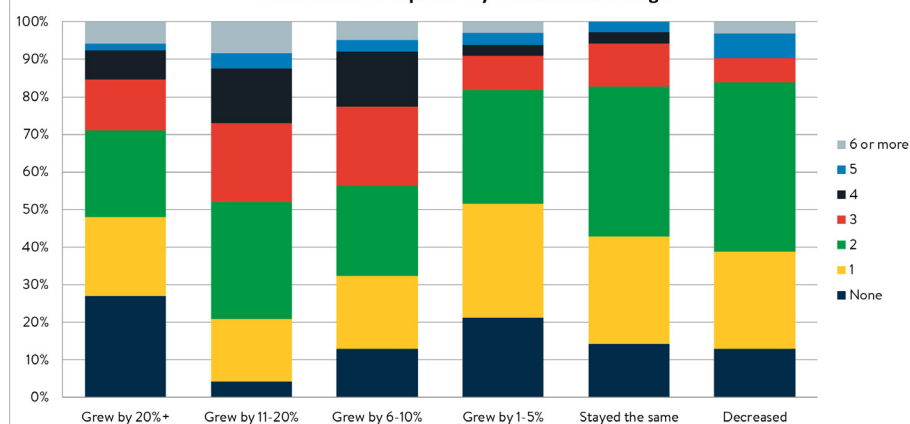
## Implications

- 85% of green industry contractors attended a trade show in the past year, down slightly (3%) from a year ago. Most - 31% - attended 2, an increase of 5% over a year ago.
- Businesses that grew are more likely to say that they attended 3+ events in the past year than their peers who stayed the same or saw their revenue decrease. That said, those that grew by 20+% last year were also more likely to say they didn't attend any trade shows or educational events a year ago.
- Small businesses are less likely to attend educational events than their larger peers, with just 11% of respondents at businesses with more than \$1 million in revenue who didn't attend an event. Comparatively, 26% of respondents at businesses with less than \$200,000 didn't attend an event a year ago.

In the past year, I attended the following number of trade shows/educational conferences to improve my business knowledge:



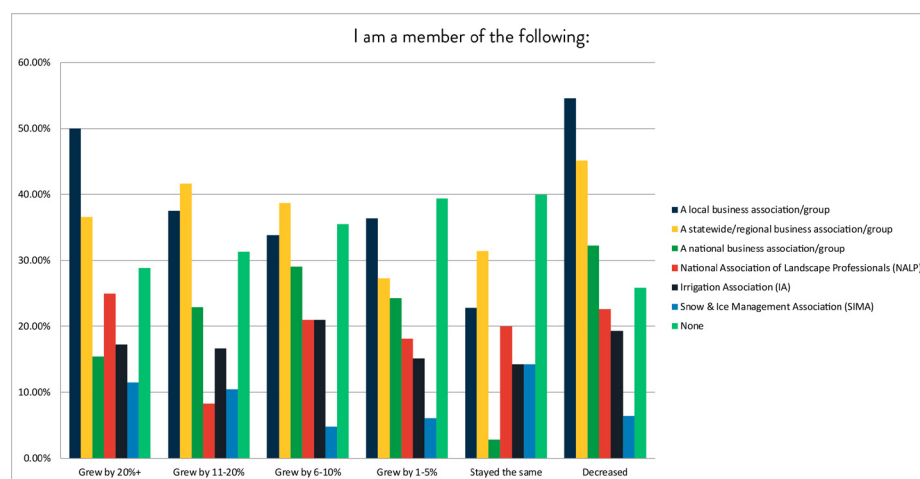
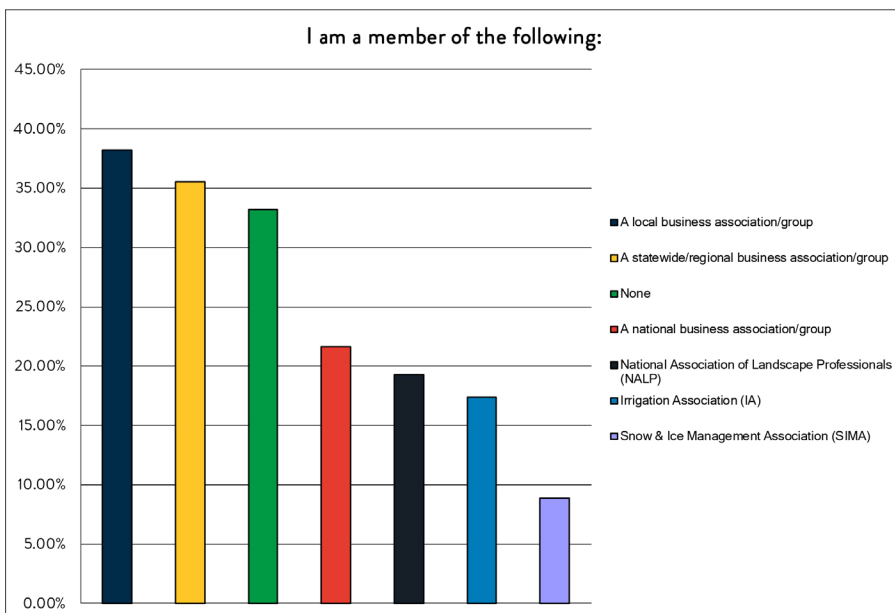
In the past year, I attended the following number of trade shows/educational conferences to improve my business knowledge:



**“Have a thorough understanding of your core business before starting. IA courses are a good start but do not provide a complete understanding.”**

## Implications

- Fewer respondents were members of trade organizations this year; 33% said they weren't a member of any organization, compare to about 20% a year ago. The most popular business groups are local and statewide.
- Among businesses that grew by more than 20%, membership in the National Association of Landscape Professionals was higher than their slower-growing peers. They were also less likely to say they didn't belong to any trade association that their slower-growing peers.
- Those in New England were the most active in business organizations, with just 15% saying they don't belong to some business organization. The East South Central, meanwhile, had 53% of respondents who don't belong to any business organization.

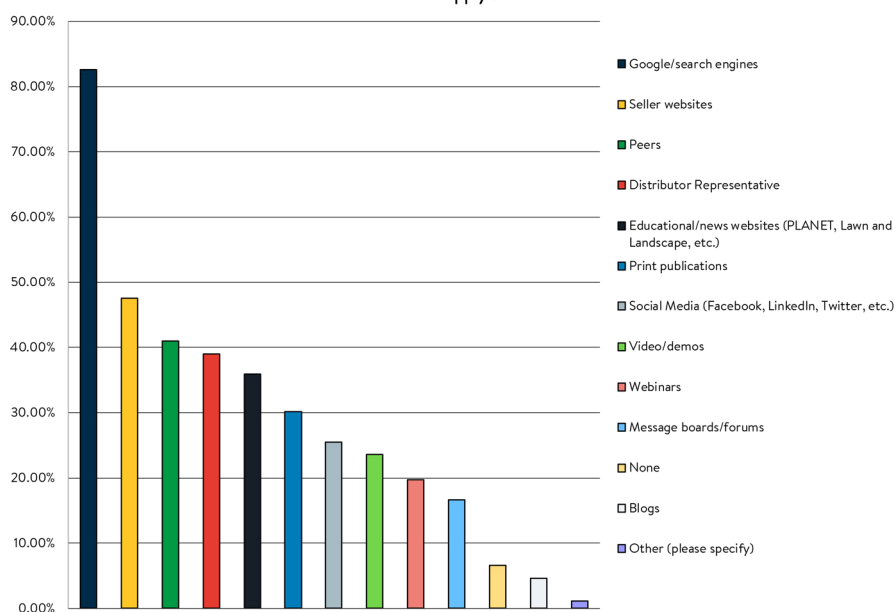


**“Know your numbers. Focus on your people. Be honest, transparent and lean.”**

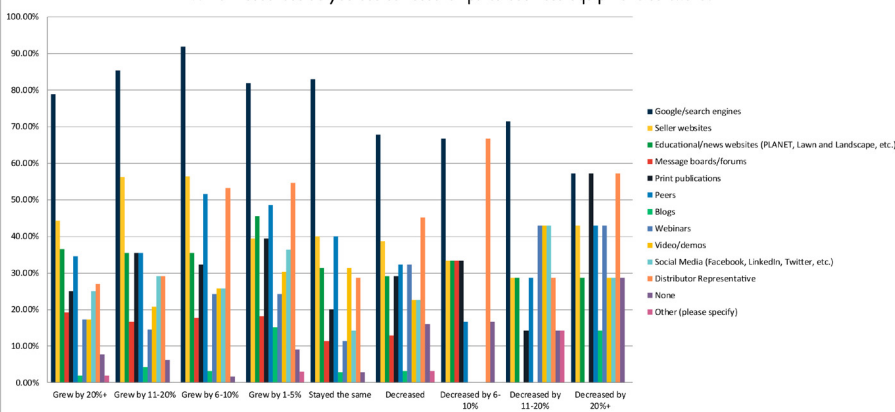
## Implications

- Search engines continue to be by far the number one resource green industry businesses turn to when they want to do research to help improve their business. The Internet also plays a role in the second most-used resource, seller websites. People are third and fourth, namely peers and distributor representatives.
- Interestingly, those that grew 20+% were more likely to cite message boards as a source of information when compared to their slower-growing peers.
- Getting information from multiple sources also has an impact. High-growth companies also seemed more likely to turn to a lot of different sources for information, with their percentage of sources used being generally higher.

Which resources do you use to research parts/business equipment/software (Select all that apply.)



Which resources do you use to research parts/business equipment/software?

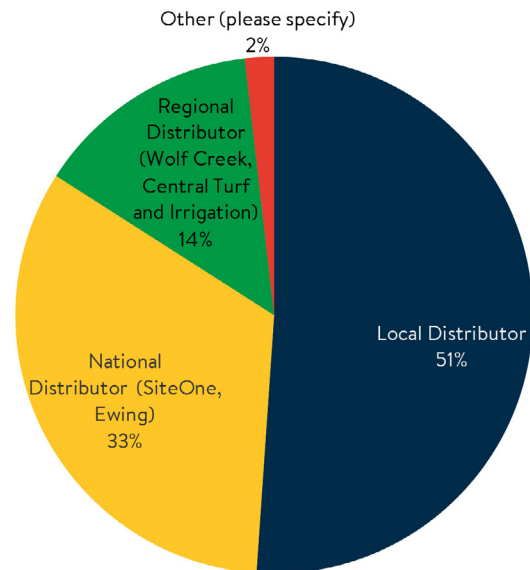


**“Have a vision that provides sustainable societal benefits.”**

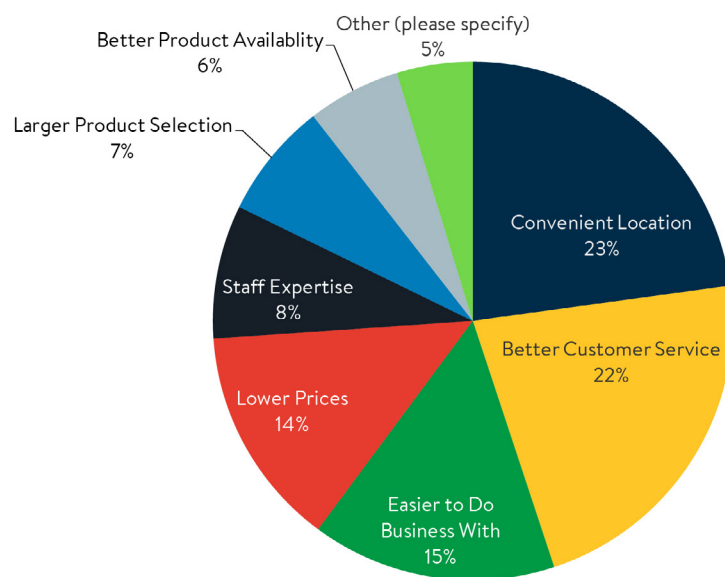
## Implications

- Regional distributors saw a significant drop in usage, going from 23% a year ago to 14% this year. National distributors saw the biggest increase - up 6% to 33%. But green industry businesses still primarily use local distributors to buy parts and materials.
- Convenience and customer service are the primary reasons green industry businesses choose their primary distributor. Price is a distant fourth and down 4% from a year ago.
- High-growth businesses were more likely to choose their primary distributor because of a convenient location and because they're easier to do business with. Low and no-growth businesses are more likely to base decisions on price.

Primarily, I use the following type of distributor when buying parts and materials:



The primary reason I use my primary distributor when buying parts and materials is because:



**“Educate yourself on the law and then the trade.”**





# Office and Software

A typical green industry business with more than 5 employees is likely using QuickBooks, has an office manager and is running some sort of field service software to manage day-to-day operations.

Having a dedicated office manager appears to promote faster business growth. Of businesses that didn't grow, 33% had no office manager, compared to 24% of all respondents.

QuickBooks continues to dominate the green industry market, with 74% of respondents indicating it's their accounting software platform. QuickBooks Online is slowly gaining market share, up 4% from a year ago and 8% from two years ago.

Half of our respondents are using field service software in their business, no change over a year ago. Software can impact a business' bottom line, with only 34% of businesses that weren't profitable using software, compared to 48% of those that saw profit margins in excess of 30% in 2019.

The biggest benefit of using software is efficiency, though small businesses are more likely to cite billing and cash flow and improved productivity as the primary benefits. Larger businesses are more likely to point to efficiency as the primary benefit of their software.

## Related Reading

- [Top 5 Questions to Ask When Evaluating Field Service Software](#)
- [5 Benefits of Integrating Field Service Software with QuickBooks](#)
- [5 Reasons Not to Buy Field Service Software](#)

## Key Findings

30% of respondents are using QuickBooks online, still 14% less than QuickBooks Desktop, but up 8% in the past two years.

Software can impact your profitability. For example, 73% of HindSite customers have profits in excess of 10%, compared to 56% of the general population.

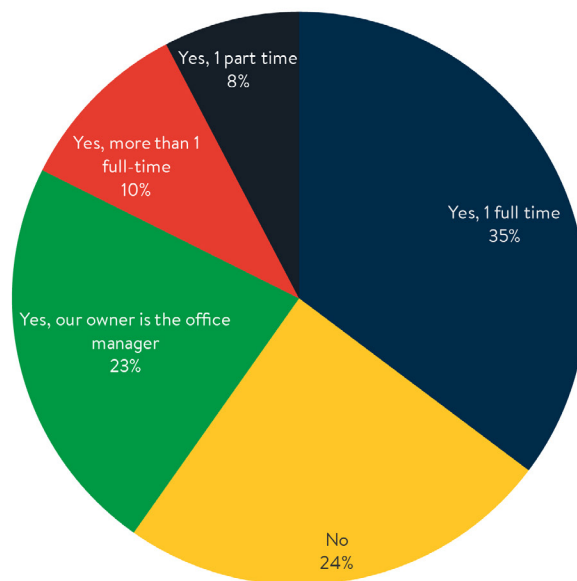
40% of respondents found increased efficiency as the #1 benefit of software, up 3% from a year ago.

Typically when a business grows to about \$500,000 in revenue, it's more likely they have a part-time or full-time office manager. Before that, they likely rely on their owner to perform the duties of an office manager.

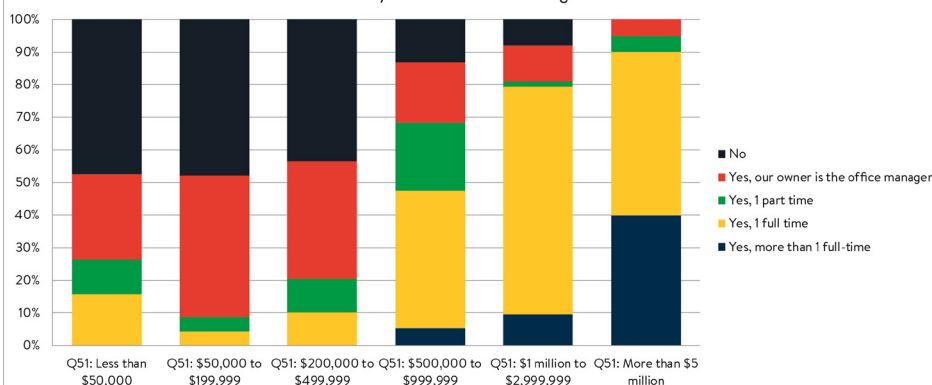
## Implications

- The typical green industry business has a dedicated office manager, though there was a slight shift to the owner serving as the office manager this year.
- Size does matter when it comes to who performs the office manager role. In smaller businesses, the owner plays a bigger role, or they're more likely to have a part-time office manager. Businesses with more than 30 employees likely employ more than one office manager and it's very rarely the owner.
- A good office manager can be a great investment. Of businesses that didn't grow, about 33% had no office manager.

Do you have an office manager?



Do you have an office manager?

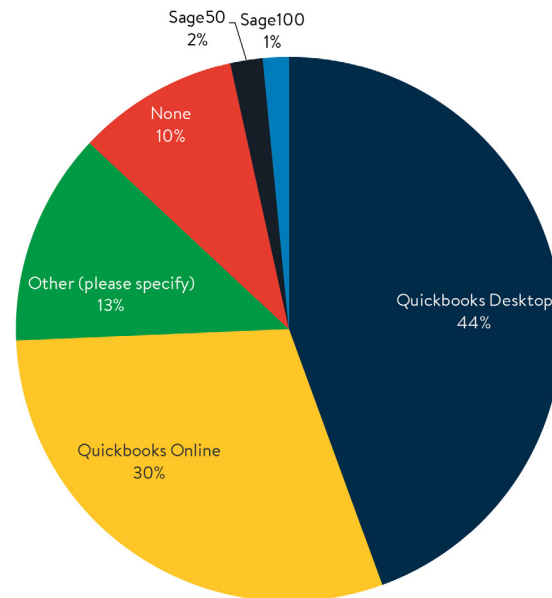


**“Sound office management and/or accounting. Cost analysis of all aspects of your trade to make sure you are making money or covering the margin you wish to make.”**

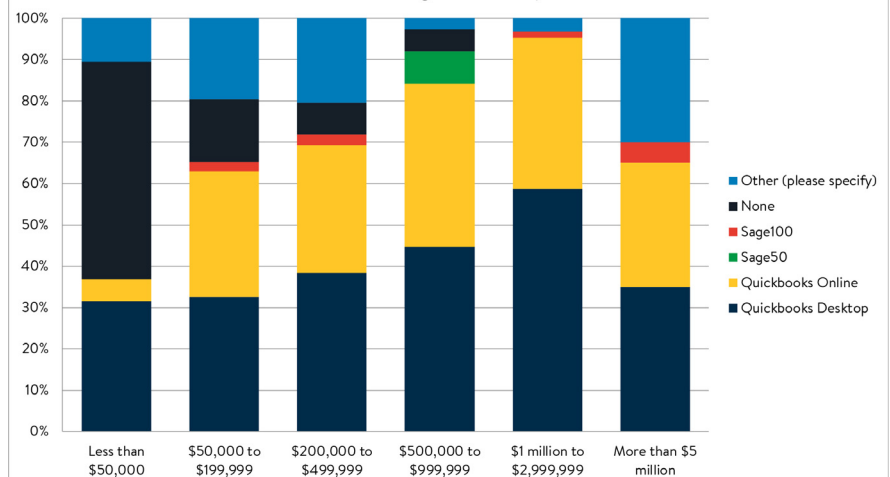
## Implications

- QuickBooks still dominates the green industry as far as accounting software, with 74% of respondents indicating they use either QuickBooks Online or QuickBooks Desktop.
- QuickBooks Online continues to grow market share, up 4% from a year ago and 8% from two years ago.
- Businesses are also turning to other solutions, with 13% now using something other than QuickBooks for Sage products, an increase of 5% over a year ago.
- QuickBooks has an even bigger stranglehold on the mid-sized green industry accounting software market, being used by about 90% of businesses with between \$500,000 and \$3 million in annual revenue.

What accounting software do you use?



What accounting software do you use?

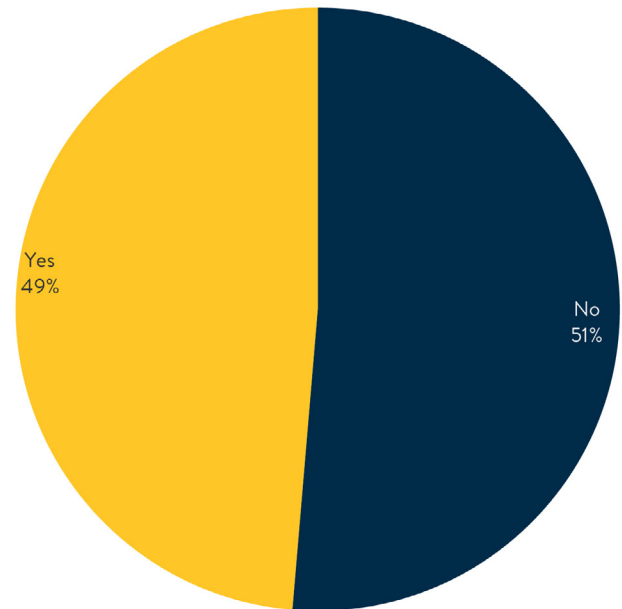


“Love your accountant.”

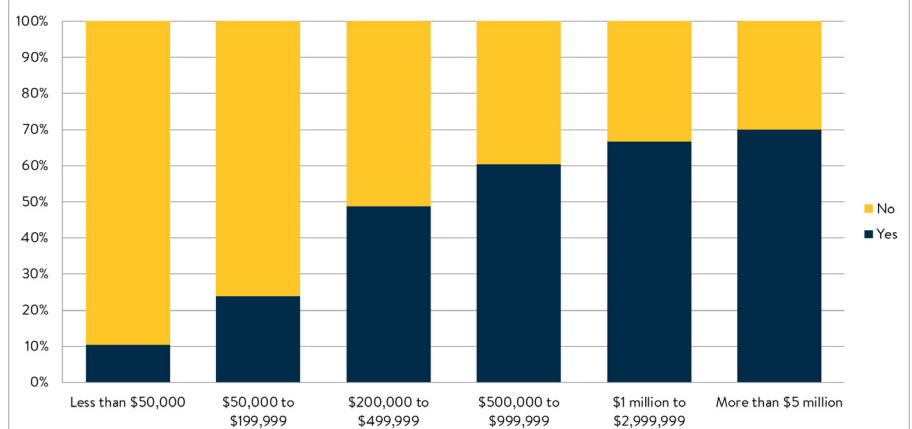
## Implications

- Half of all respondents use field service software to manage their business, about the same as we saw last year.
- More than half of businesses with more than \$200,000 in annual revenue are using field service software in their business.
- There's still room for growth, however, with just under 30% of small green industry businesses using field service software.
- Software can impact a company's bottom line. Only 34% of businesses that weren't profitable are using software, compared to 48% of those that saw profits in excess of 30% in 2019.
- The software you choose also matters. 73% of HindSite customers saw profits in excess of 10%, compared to 56% for the general population.

I use field service software:



I use field service software:

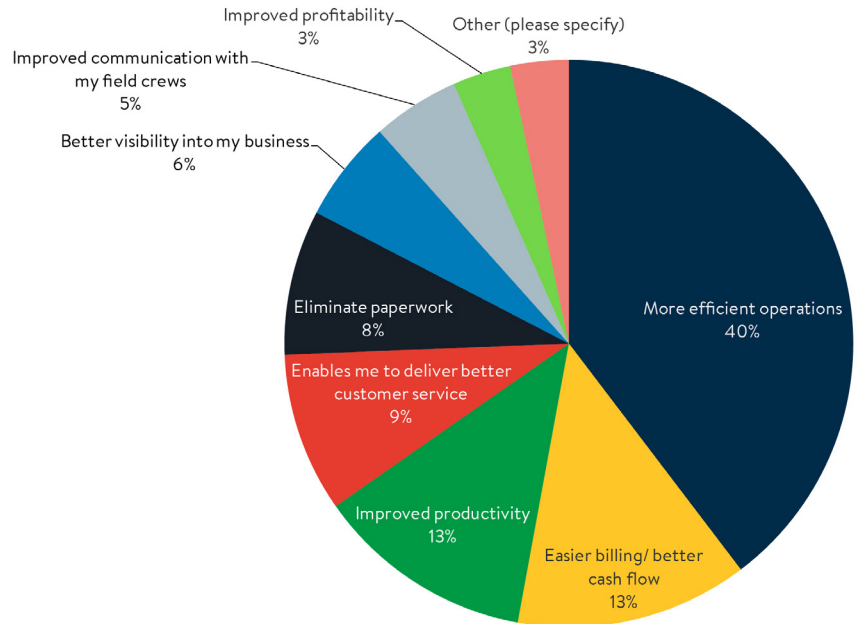


**“Follow through. Follow through with customer support, with goal setting/ achieving, with implementation and execution of protocols and procedures, and with employee guidelines.”**

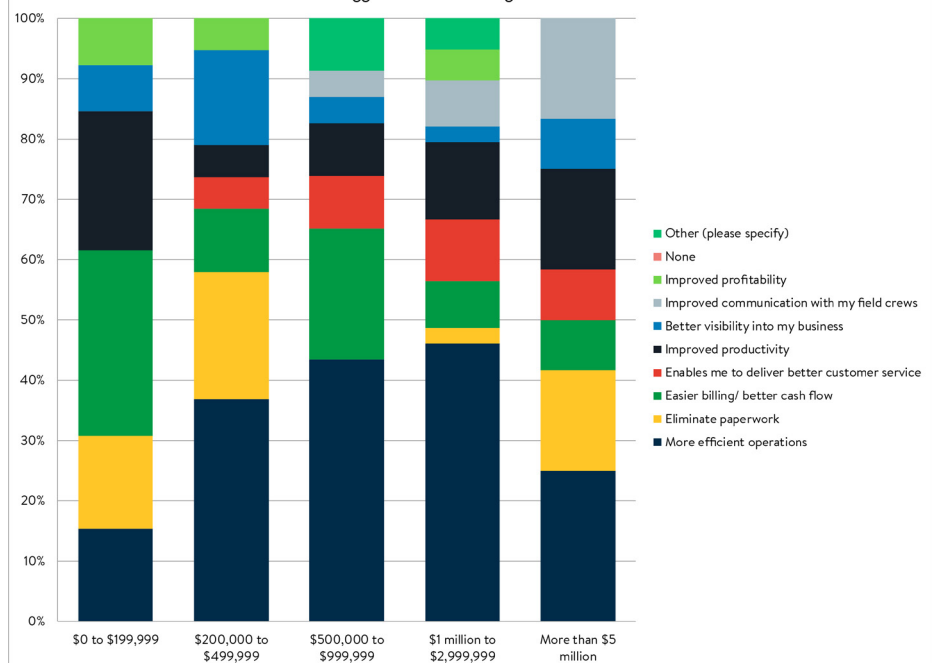
## Implications

- There are a lot of benefits to using software in a business, with 5 different responses earning more than 8% of the vote. But the primary benefit is efficiency, which was cited by 40% of respondents as the biggest benefit of software.
- Small businesses are more likely to cite the billing/cash flow and improved productivity benefits of software. Larger businesses are more likely to say that software makes them more efficient.
- HindSite customers are more likely to cite efficiency and productivity as benefits than their peers using other software.

What's the biggest benefit to using field service software?



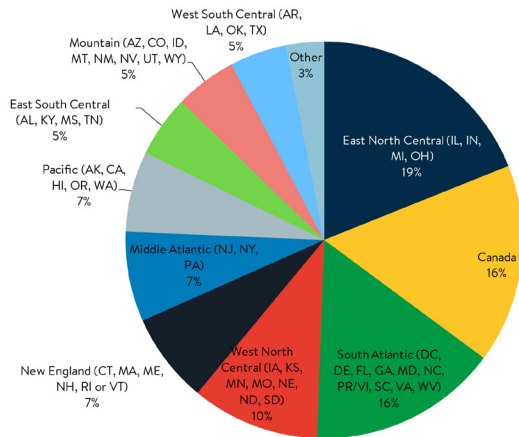
What's the biggest benefit to using field service software?



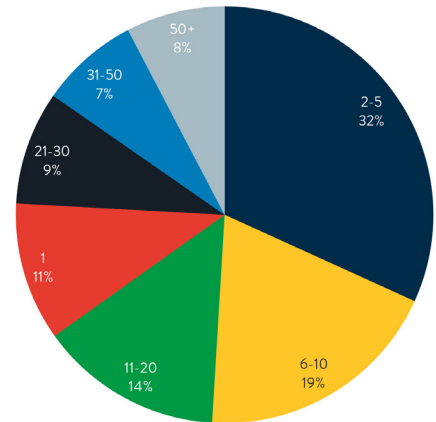
“Get the processes right, both the lawn treatment and the acquisition of customers.”

# Demographics

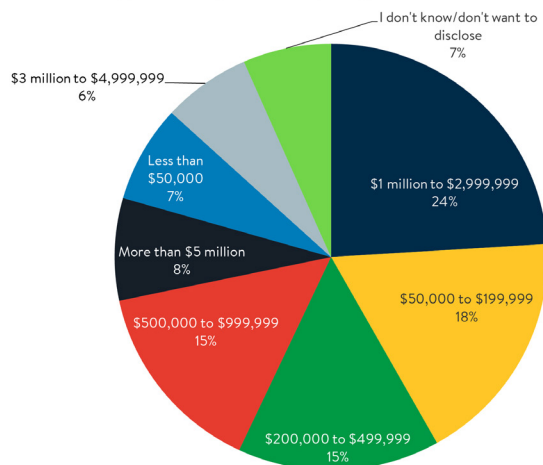
Where are you located?



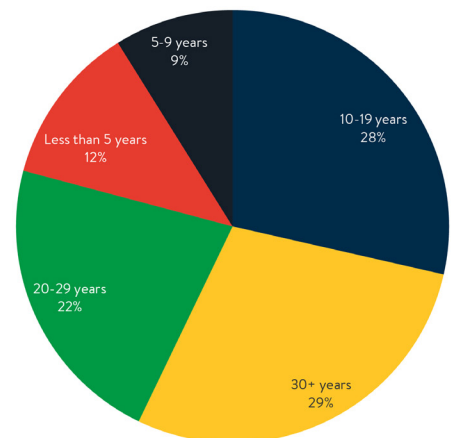
At its peak, my business employs the following number of field personnel:



Approximately what was your gross revenue in 2019?



How many years has your company been in business?





## Tell Us What You Think

What did you think? Select the image below that best describes your opinion of the 2020 Green Industry Benchmark Report.



**HindSite Software** is the premier field service software solution for the green industry. Built by a green industry contractor for his green business, HindSite combines a robust contact relationship manager, drop-dead simple scheduling and routing, paperless field data collection, one-click QuickBooks integration, and insightful management reports that virtually eliminate paper processes.

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